FBIS DAILY REPORT CONTENTS

Latin America

Vol VI No 104 *30 May 1978*

INTER-AMERICAN AFFAIRS

W. Central Atlantic Fisheries Commission Meets in Panama A 1 1/A6
Andean Reserve Fund To Begin Operation Shortly A 1 1/A6

ARGENTINA

Videla Emphasizes Armed Forces' National Development Role B 1 1/A7
Montes' UN Speech Opposes Nonproliferation Treaty B 3 1/A9

BOLIVIA

Banzer Explains Government's Democratic Process C 1 1/A12
Banzer Says Elections Will Not Be Suspended C 2 1/A13
General Villalpando Discusses New Army Equipment C 2 1/A13

BRAZIL

Eanes Concludes Visit, Leaves for Venezuela D 1 1/A14
Geisel Speaks on Developments in Energy Program D 1 1/A14
[JORNAL DO BRASIL 20 May]
CNEA Head Says Angra Deadlines Unrealistic D 2 1/B1
[O ESTADO DE SAO PAULO 20 May]
Risk Contract Signed for Offshore Exploration D 3 1/B2
[O GLOBO 25 May]
Senator Applauds Commercial Mission to PRC D 3 1/B2
Figueiredo Leaves Active Service for Reserves D 4 1/B2

CHILE

Further Reportage on Letelier Case Developments E 1 1/B3
Ministry Queries FBI Agents E 1 1/B3
Propper's Visits Restricted E 1 1/B3
Interior Minister Comments E 1 1/B3
Fernandez Assails Hunger Strikers as Communists E 2 1/B4
Briefs: Mineral Exploitation; Increase in Private Investments E 2 1/B4

COLOMBIA

President Denies Colombia Is 'Imperialist' Nation F 1 1/B5
Lopez Assures Electoral Guarantees to All Parties F 1 1/B5
Government Employees To Strike 30, 31 May F 1 1/B5

PERU

President Criticizes Wealthy Countries J 1 1/B6
Morales on Arms Purchases J 1 1/B6
Curfew Shortened by Hour in Lima, Callao J 2 1/B7

Universities Allowed To Resume Activities J 2 1/B7
Minister Promises Report on Economic Situation J 2 1/B7
Briefs: PRC Journalists Visit; Exports Increase J 2 1/B7

VENEZUELA

Portuguese President Eanes Arrives on Official Visit L 1 1/B8
Perez Greets Eanes L 1 1/B8
Eanes Arrival Speech L 1 1/B8
Perez Speaks at Banquet L 3 1/10
Eanes Banquet Speech L 7 1/B14
PETROVEN President Leaves for Romania on Official Visit L 9 1/C2
Budget for Next Year Set at 45 Billion Bolivares L 9 1/C2

MEXICO

President Lopez-Portillo Returns From USSR, Bulgaria M 1 1/C3
Reportage on Lopez-Portillo's Visit to USSR, Bulgaria M 1 1/C3
[cross-reference]
Castro To Visit Mexico To Sign Tlaltelolco Treaty M 1 1/C3

PANAMA

Students Demonstrate Against Carter Visit, Pinochet Regime N 1 1/C4
Chilean Socialist Carlos Altamirano Arrives in Panama N 1 1/C4
Students Protest Shortage of Educational Materials N 1 1/C4
Demonstration Ends N 2 1/C5
Council of State Suggests Torrijos as Presidential Candidate N 2 1/C5
Lawyer Questions Constitutionality of Elections N 2 1/C5
Steps Taken for Transfer of Canal Postal Service N 3 1/C6
[LA REPUBLICA 24 May]

CENTRAL AMERICA

COSTA RICA

Government Announces Financial Reorganization P 1 1/C7
Conflict With Corn Growers Reportedly Resolved P 1 1/C7
Carazo Appoints Commission To Draft Fishing Plan P 2 1/C8
Committee Discusses Expropriation of Somoza Ranch P 2 1/C8

GUATEMALA

34 Killed, 23 Wounded in Attack on Military Post P 2 1/C8
Economy Minister Opposes Sea-to-Sea Pipeline P 2 1/C8
President Announces Revocation of Power Rate Increase P 3 1/C9
Briefs: PRC Cotton Purchases P 3 1/C9

NICARAGUA

Somoza Travels to U.S. for Son's Graduation P 4 1/C10
Conservatives Vow To Seek Stronger Party Action P 4 1/C10
[LA PRENSA 17 May]
Official Criticizes U.S. Policy on C. American Products P 5 1/C11
Closed Radio Stations Resume Operations P 5 1/C11

CUBA

Rafael Rodriguez Refutes Carter Statements on Shaba	Q	1	1/C12
Rodriguez Meets Foreign Officials	Q	1	1/C12
Havana: Mondale UN Speech More Appropriate to NATO	Q	2	1/C13
Do Nascimento Arrives in Havana en Route to UN	Q	2	1/C13
Ethiopian Press Highlights Castro Message to Mengistu	Q	2	1/C13
Commentator Scores 'Imperialist Intervention' in Zaire	Q	3	1/C14
Reportage on Visit by Madagascar Foreign Minister	Q	4	1/D1
Official Talks Begin	Q	4	1/D1
Cooperation Agreement Signed	Q	4	1/D1
Joint Communique Issued	Q	5	1/D2
Spanish Prime Minister To Visit in September	Q	5	1/D2
Havana Reports on Dominican Elections, PRD Plans	Q	5	1/D2
Raul Castro Visits 'Festival 78' Command Posts	Q	6	1/D3
Soviet Border Guard Anniversary Marked in Villa Clara	Q	6	1/D3

DOMINICAN REPUBLIC

Electoral Board Announces PRD's Victory	R	1	1/D4
Balaguer Congratulates Winning PRD Candidates	R	1	1/D4
Armed Forces Will Abide by Election Results	R	1	1/D4
Guzman Outlines Future Government Plans	R	1	1/D4
President-Elect Tells Military They Will 'Never Be Sorry'	R	2	1/D5
Democratic Spirit Praised	R	2	1/D5
President-Elect Speaks on Democracy, Nonintervention	R	3	1/D6
PR, PRD Win All Congressional Seats	R	4	1/D7
General Wessin y Wessin Returns From Exile	R	4	1/D7

Item 856-B-5 . Pr Ex 7.10: FBIS-LAT-78-104

FBIS-LAT-78-104
Tuesday
30 May 1978
Vol VI No 104

DAILY REPORT

COMPLETED
ORIGINAL

LATIN AMERICA

FBIS FOREIGN BROADCAST INFORMATION SERVICE

50

This publication contains current news and commentary monitored by FBIS from foreign broadcasts, news agency transmissions, newspapers, and periodicals. Items are processed from the first or best available source; it should not be inferred that they have been disseminated only in the medium, in the language, or to the area indicated. Items from foreign-language sources are translated by FBIS. Those from English-language sources are transcribed, with the original phrasing and other characteristics retained.

Headlines, editorial reports, and material enclosed in brackets [ ] are supplied by FBIS. Labels such as [Text] or [Excerpts] in the first line of each item indicate how FBIS processed the information from the original. Names rendered phonetically or in transliteration are enclosed in parentheses. Words or names preceded by a question mark and enclosed in parentheses were not clearly heard but have been supplied as appropriate to the context. Other unattributed parenthetical notes within the body of an item originate with the source. Times within items are as given by the source.

Users of this publication may cite FBIS provided they do so in a manner clearly identifying it as the secondary source. For example: "FBIS reports that Radio Moscow announced . . ." or "FBIS has monitored a broadcast from Hanoi which says . . ."

This is a U.S. Government publication. Its contents in no way represent the policies, views, or attitudes of the U.S. Government.

W. CENTRAL ATLANTIC FISHERIES COMMISSION MEETS IN PANAMA

PA272203Y Panama City Domestic Service in Spanish 1850 GMT 27 May 78 PA

[Text] Enrique Oltusqui, Cuban fishing industry vice minister, has been reelected chairman of the West Central Atlantic Fisheries Commission [Comision de Pesca para el Atlantico Centro Occidental--COPACO]. Cuba has been chosen as site of the next COPACO meeting in 1980. These decisions were made shortly before the end of the second biennial plenary assembly of COPACO, which was held in Panama City. The meeting was attended by 15 member countries and representatives of various international organizations.

The plenary assembly was opened on Monday by Panamanian Commerce and Industries Minister Julio Sosa. After 4 days of work, it approved a 28-page document which includes all the decisions made at the assembly and the reports of the meetings of the statistics committee and the Executive Committee held in Panama earlier last week.

COPACO Decided to establish a regional training center in Cuba in response to a proposal made by the Cuban delegation headed by Renan Perez, director of the fishing research center. The training center will offer courses in Spanish and English to fishermen, combining practice with theory and using exiting facilities in Cuba. The commission also heard with interest a report on the creation in Cuba of a center for the development of fish products and the Cuban delegation's offer to provide help to COPACO member states thrcugh that center.

The participants also analyzed Cuba's proposal on extending COPACO's area of interest to include areas of the Pacific Ocean. This proposal received the immediate support of Panama and other countries. It was decided that the UN Food and Agriculture Organization [FAO] should undertake an in-depth consultation among the members. The delegates also discussed the possibility of transferring to the region COPACO's Secretariat, which is currently located in Rome with the FAO's. Panama, Colombia, Venezuela, and Trinidad and Tobago offered to be the site of the Secretariat.

The officers of COPACO for the biennial period which began yesterday at the conclusion of the plenary assembly include Carlos Arellano Lennox, Panamanian director of marine resources, as first vice chairman. The other two vice chairmanships are held by Colombia and Jamaica. Brazil, Mexico, the United States and Venezuela were chosen members of the Executive Committee.

ANDEAN RESERVE FUND TO BEGIN OPERATION SHORTLY

PY271245Y Lima Domestic Service in Spanish 0300 GMT 27 May 78 PY

[Text] Rafael Garcia Velasco, coordinator of the Cartagena Agreement board, announced today at a ceremony held on the occasion of the ninth anniversary of the signing of the Cartagena Agreement that the Andean group will put the Andean Reserve Fund [Fondo Andino de Reservas] into operation in the next few days. The fund, which will start with a capital of $260 million, is considered the most significant advancement made thus far regarding the development of financial mechanisms required by the integrationist process.

Garcia Velasco stated that the fund will have operational mechanisms which will enable it to grant loans up to $150 million to Colombia, Peru and Venezuela, and up to $115 million to Bolivia or Ecuador.

VIDELA EMPHASIZES ARMED FORCES' NATIONAL DEVELOPMENT ROLE

PY291845Y Buenos Aires Domestic Service in Spanish 1435 GMT 29 May 78 PY

[Text of President Jorge Rafael Videla's speech delivered at Army Day ceremony at national military school at El Palomar military base--live]

[Excerpts] A few days after May independence day, with the awakening of a political and independent life of the united River Plate provinces, the government of the first military junta created a vital element which was necessary to shape the will for independence and to conquer and guarantee the freedom of those capable of leading and preparing their future.

Thus, the Argentine Army moved from an ideal to a reality, to execute a decision, to fulfill a national objective which, reflecting sectional and individual interests, constituted a historical commitment of a people who considered a nation as a common goal. From that moment, all afflictions and glories of the nation also became the afflictions and the glory of the armed forces.

Thus, the fatherland was born, and the army emerged to serve the fatherland. And looking toward the future, a symbiosis between civilians and soldiers emerged to become the principal force of a common enterprise with common goals.

Those men, who gave us a definite historical personality and who played an important role in history, continue to be our example and inspiration. They dreamed of a great nation. It is now our task to make this dream a reality.

The army is today inspired with that same ideal. Today, like yesterday, through military action, we seek to defend life not only with freedom, but with justice and order. As we conceive our real situation, we seek the establishment of institutions to provide stability and legality to the best ideals of man. Through the presence and activity of the army in the fatherland, we seek consolidation of national sovereignty. Through traditional historical events, we seek the examples which may unite all moral values.

Finally, we seek mutual cooperation, whether in our ideals or in reality, whether in what is desired or what may be possible. This cooperation will then become the synthesis of national unity at this historic moment. It is also an essential condition to achieving national well-being and the greatness we all desire.

It was today's army that in the recent past had to fight against criminal subversive actions. Fulfilling the mission entrusted to the army, it was necessary to prepare the defense of Argentine society. Certainly it was not an easy task.

The rules of this unconventional war--which we neither sought nor provoked--are different. The army, together with its brotherly forces, the police forces and the unstinting support of the population, accepted the challenge and fought in the woods and on the streets, during daylight or at night, to preserve the highest national interests.

Like San Martin's liberating army, today's army has also shed and will continue to shed the blood of its dearest sons for the fatherland, to complete the coming victory against subversion, in order to bring peace and security to the nation.

The memory of Lt Gen Pedro Eugenio Aramburu cannot be missing from our commemoration of Army Day since today is also the anniversary of his kidnaping and his courageous death, which marked the beginning of this struggle. The kidnaping of General Aramburu and the deterioration of national institutions culminating in a power vacuum compelled us to assume leadership of the country and to halt the disintegration threatening the nation by establishing, together with the navy and the air force, the national reorganization process.

This responsibility which we have assumed throughout Argentine history demands us to achieve a successful overall victory against subversion and compels us to seek with creative imagination a modern and stable institutional solution; it commits us to establish the basis which, in peace and in freedom, will enable us to achieve the great destiny which all Argentines desire for their fatherland.

It is in this manner that, for more than 2 years since 24 March 1976, we have been able, together with the sacrifice and understanding of the Argentine nation, to put the nation on its feet once again, enabling it to firmly start the development which will be achieved through sacrifice but will be for the well-being of all.

In this regard we must acknowledge the valuable contribution of sectors such as the student and labor sectors which, despite experiencing the greatest confrontations with successive ideologies and activists and bearing in great measure the sacrifices demanded of the country, displayed maturity and national spirit.

But the activity of the army does not end with the present. The complete understanding of the dynamic process which our world is experiencing compels the army to imaginatively foresee a hazardous future in constant evolution. As of this very minute we must therefore prepare the army and the nation. This is the heritage we wish to leave; the heritage of a modern army in which love for the fatherland and the spirit of service continue to be factors of unity, in which unbiased service and spirit of sacrifice continue to be the norm; an army moved by the same important and unchanging values which have been our traditional characteristics; an army which, in short, in addition to being based on the prevailing presence of the human being also takes advantage of the technical and scientific evolution of our resources. The heritage of a nationally unified country is based on, and projected by, its own specific characteristics.

A heritage in which the ideals of spirit and action, of sacrifice and hope, brings us near the ideal of unity through a plurality because only in this manner will we be able to confront the future with optimism and determination.

We can state, therefore, that the hour of truth is once again confronting Argentina and its people with its destiny and its future.

Like 168 years ago, we must determine, with our attitude, with our imagination, with our will and with our effort the country which our descendants will inherit tomorrow. Our forefathers excercised this historical and political responsibility with faith, vocation, decision.

This exercise of politics fulfilled, therefore, a genuine mandate, an authentic and vital mandate of a reality with a national character because it was in answer to an aspiration, a hope; because it was in answer to a firm decision of the community.

We must today exercise it in the same manner so that it will not just serve personal or sectional interests, so that it will not degenerate into an uncontrolled ambition for power and so that it will be an action, a tool at the service of the greatness of the fatherland. Politics, must have, therefore, an ethical sense and moral content. These should be its characteristics. These characteristics should justify it and make it a necessity for human activity. And these should be shown in its essence and in its structure because politics, like human conduct, is a reflection of the spirit and the personality of citizens.

If we are to meditate in this way, it is because divine providence is now guiding us in our commitment to God and the fatherland, so that we can ceaselessly and with daily effort help each other--as our Argentine heritage demands--in whatever place and in whatever role we have been assigned.

We consider San Martin's goal our cause, both as soldiers and free citizens. This is also the ultimate cause of our people, a cause for which our people must put themselves to the test, make sacrifices and harbor hopes, especially those who consider the contruction and maintenance of the fatherland as their solemn and profound duty and for those who gave their lives.

On this day the army is pleased to greet all members of the Argentine Air Force and Navy. We are aware that our common origin, our common heritage, and our historical commitment to the nation constitute the cornerstone of our institutional unity and guarantee our decision to guide the national reorganization process toward established objectives. Neither sacrifices nor disturbances will separate us from our commitment. We reaffirm on behalf of the army, to the Argentine people, of which we are a part and which we serve, our irrevocable decision of achieving those objectives whose ultimate goal is the establishment of a genuine and truly representative democracy fully based on our traditional republican principles with a genuine and effective federalism expressed through open national thought and inspired only by the greatness of the fatherland and common well-being.

This is the institutional commitment I reaffirm today as commander in chief of the army. Today, the Day of the Army, must also be an appropriate opportunity for the army to call upon God our Lord and pray for peaceful unity to achieve the objective which He has imposed on us, and that the dreams of our heroes may become reality through the intercession of Our Lady of Mercy, our patron and general. So be it.

Ladies, gentlemen, comrades; let us have a minute of silence for meditation and for prayers for the souls of those who died fulfilling their duties. Let the bugle sound to mark the glory and victory of those who, with their deaths, conquered darkness to illuminate our paths.

Mestro, sound the bugle!

MONTES' UN SPEECH OPPOSES NONPROLIFERATION TREATY

PY262006Y Buenos Aires TELAM in Spanish 1623 GMT 26 May 68 PY

[Text] Buenos Aires, 26 May--Foreign Minister Oscar Antonio Montes has criticized the "intention to perpetuate the scientific-technologic oligopoly of a handful of industrialized states" regarding nuclear matters to the detriment of the developing countries, and he announced that the Argentine Government "has initiated the ratification procedure of the Tlaltelolco treaty, since it totally agrees with the principles set forth in it.

The minister spoke today at the special disarmament session of the UN General Assembly held in New York to state the position of this country regarding this subject at the meeting which, he said, "may become a historic landmark" He said: "In order to prove by deeds its adherence to the cause of disarmament, my government has also initiated the ratification procedure of the agreement regarding the prohibition of development, production and storage of bacteriological (biological) and toxic weapons and their destruction, and the agreement prohibiting the placing of nuclear of mass-destruction weapons on the ocean beds or in their subsoil, which it signed in 1972 [as received], respectively."

He stressed that the prsent situation is serious, pointing out that statistics show that over $1 billion is spent per day in the world on armaments and that immediate prospects point to a greater increase. He added that nuclear arsenals are 8 million times more powerful than the nuclear bombs used to demolish Hiroshima and Nagasaki in 1945; in other words, today over 12 billion human beings, four times the world's population, could be destroyed. [as received]

He called attention to the nuclear might of the superpowers "which aspire to the questionable priviledge of possessing means which are many times greater than those necessary for mutual destruction and, in the process, for extinguishing all signs of life on the planet," a reason why, he stressed, "there is no reason for some nations to proclaim themselves neutral or for innocent peoples to remain passive spectators."

Montes believed that, in view of the fate awaiting mankind, there is an element of interdependence among all countries to introduce an acceptable minimum of security into international relations, for which disarmament should be a common effort, notwithstanding the fact that a proportionally much greater responsibility belongs to the states having a monopoly of nuclear weapons.

He added that "any arbitrary attempt to transfer that responsbility to the large majority of countries which have only now reached a minimum level compatible with their defense requirements, would clearly be interpreted as a subterfuge to give priority to secondary disarmament questions and avoid the taking of specific measures in the nuclear field."

Montes asserted that Argentina declares itself opposed to nuclear weapons themselves, wherever they may exist and whoever may possess them, and he repeated earlier statements by this country that they should be completely eliminated, forever and as soon as possible.

In this connection he lamented that, despite negotiations in progress, the draft treaty is not yet ready regarding a complete prohibition of nuclear arms tests and that the project regarding chemical weapons is also incomplete. He also stated that the final document regarding the program of action should include clear dispositions on those points.

The foreign minister said that he did not understand the selective criteria of those who show permament concern over horizontal proliferation, but at the same time continue to produce more sophisticated and devastating nuclear devices and are persistently reluctant to reduce their numbers and begin a determined nuclear disarmament. "We have argued before that there should be no confusion of the ends with the means to reach them. The purpose of nonproliferation of nuclear armament, both horizontal and vertical, deserves the unrestricted support of the entire international community," he said, adding that the appropriate means to reach that goal, in the opinion of the Argentine Government, is not the nuclear nonproliferation treaty [NPT].

With respect to this, he asserted that from the beginning, Argentina has rejected the NPT because of its clearly discriminatory character. For the first time in history the treaty establishes the division of the world into two kinds of countries: those which can do anything in the nuclear field and those which are subject to restrictions. He stated: "In addition, we were sure that its implementation would be a failure because it did not set fixed obligations for the powers possessing nuclear weapons. That is to say, the elimination of vertical proliferation was deemed an acceptable measure for preventing horizontal proliferation." He continued by saying that "unfortunately, time has proven that Argentina was right, since the treaty was discriminatory not only in its conception, but also in its implementation in 1968--the year when it was ready for signing. "In 1968 the USSR had after the treaty became effective, they had 4,000 and 8,500, respectively."

He said that commitments for technological assistance for the development of nuclear energy for peaceful purposes turned out to be failures, since they did not yield the expected results. He added that lack of support for the treaty by a vast number of countries awakened unjustified suspiciouns which weaken international relations, and hinders everyone's indisputable fight to peacefully exploit atomic energy as much as possible.

The foreign minister reaffirmed that our country will support any just and appropriate initiative to prevent all types of proliferation, and emphasized that we will continue to cooperate with the International Atomic Energy Agency, "as we have always done. "However, we will be equally firm in exercising our inalienable right to acquire, perfect and utilize advances in nuclear technology for the welfare and progress of the Argentine people."

He drew a parallel between the aforementioned treaties and the treaty of Tlaltelolco, favoring the latter because "it does not recognize any category of privileged nations, since all Latin American states place themselves on strictly equal conditions while assuming the treaty's obligations in order to protect the development of nuclear energy for peaceful purposes."

The speaker then mentioned negotiating mechanisms and reaffirmed what has already been mentioned repeatedly--that in order to fulfill a meaningful task, the presence of France and the PRC is needed. With respect to this, he mentioned the proposal presented by France to replace the disarmament committee's conference with a new negotiating body which would be more closely linked to the United Nations. Montes welcomed this possibility because of the chance for participation it would offer, and expressed his hope that the PRC would have a similar opinion. He also considered that the French suggestion to establish a control agency through the use of satellites which would be under UN jurisdiction and under international scrutiny, "is a significant step forward in the field of disarmament control and should therefore be analyzed during this same assembly for immediate implementation."

Among other considerations, the minister said that Argentina sees disarmament as a joint undertaking for all the organization's members. He added that no country which respects itself and which wishes to preserve its national identity can refrain from participating in decisionmaking which will, directly or indirectly, affect vital interests such as security, sovereignty and its future as an independent state. At the beginning of his speech, he applauded the auspicious coincidence that the presidency of the assembly should belong to a citizen whose country had distinguished itself in the field of disarmament: Yugoslav Lazar Mojsov. He extended his praise to Carlos Ortiz de Rozas, the Argentine ambassador and president of the preparatory committee, as well as to all the members of the committee and the UN General Secretariat.

BANZER EXPLAINS GOVERNMENT'S DEMOCRATIC PROCESS

PY270255Y La Paz Radio Cruz del Sur Network in Spanish 2330 GMT 26 May 78 PY

[Text] President Hugo Banzer today attended a special ceremony on the parade grounds of Miraflores Garrison commenemorating the 150th anniversary of the creation of the Armed Forces General Command.

In his speech Banzer said: We have never accepted any type of pressure. Our government only has commitments to the fatherland and empathically rejects any type of foreign intervention. Banzer, government officials, armed forces officers, police, the diplomatic corps, political figures and guests attended this ceremony. In his speech at the ceremony the president supported the democratization process which is currently underway and said that it was based on an autonomous and exclusive decision of the armed forces government. We offer you important excerpts of the chief of state's sppech at Miraflores Garrison:

[begin Banzer recording] [Word indistinct] the second objective, in other words, the acceleration of development, the country's democratic constitutionalization stage was begun in November 1977. (?This is the appropriate time) to make a few things clear regarding a certain bias and (?simplistic) interpretations which are being used to judge (?our actions). In the first place, we must emphasize that the democratization process which is currently underway is based on an autonomous and exclusive decision of the armed forces government. We will never accept any type of pressure; our only commitment is to the fatherland, and we emphatically reject any type of foreign intervention.

Having every possiblity of maintaining the current government in force, being able to count on the support of the majority of the population for this, we are still, even now, clearly outlining the reasons for the political opening. We implemented the electoral process, which is a part of our principal conditions, because we believe in the possibility of establishing a (?stable) democracy which will allow all Bolivians to participate freely in decisions regarding the economic, political and cultural fields.

At the time we evaluated the country's political situation we formulated the democratization plan because we believed the Bolivia was ready to organize its intsitutions through popular vote. We hope, at the present time, that our purpose was not mistaken. We hope that the population, with the exception of extreme left and right factions, is now reacting calmly and peacefully.

One of the most important causes of the government's decision was the need to unite the people on the 100th anniversary of our becoming shut off from the sea, and to declare the unjust effects of that situation.

This is why we again call upon the people to unite behind a historic plan which will allow us to envisage a stage of great changes and accelerated development and psychological strengthening. [passage indistinct] social and modern, responsive and of a participatory nature. A return to the old constitution would mean national defeat and corruptive frustration.

The large question looming in the minds of the population is: What about our future? What will happen after the elections? Where is the country going? These and other questions should have already been answered by the various political trends that claim the management of the republic for themselves. [end recording]

BANZER SAYS ELECTIONS WILL NOT BE SUSPENDED

PY300156Y La Paz Radio Cruz del Sur Network in Spanish 2330 GMT 29 May 78

[Text] Gen Hugo Banzer said that the electoral process will continue its normal course, that the process will not be interrupted unless a choatic and anarchic situation develops. He said that the armed forces will not allow the suspension of elections, now or later, because they have made a firm decision to continue with the electoral process which will conclude on Sunday, 9 July, when power will be handed over to the party having the majority of votes.

GENERAL VILLALPANDO DISCUSSES NEW ARMY EQUIPMENT

PY250335Y La Paz Radio Panamericana Network in Spanish 0000 GMT 25 May 78 PY

[Summary] "The army commander in chief, who returned recently from Buenos Aires, made it clear that the order for mechanized equipment for various units is only just beginning to arrive. He denied reports about a general reequipping of the Bolivian Armed Forces with war materiel provided by several sources.

"We will listen to Gen Alfonso Villalpando Armaza, who, it is appropriate to say, caused various reactions among Chilean official circles with his remarks in the Argentine capital:"

[begin Villalpando recording] It is not a question of a general reequipping. It is a question of some mechanized equipment which had been ordered and which is just arriving. This equipment is for some units which need it. "No. The equipment is only for one unit which we are organizing. It is simply mechanized equipment." For many reasons which you can understand we do not like to talk about the cost. You have always cooperated in this. [end recording]

"Villalpando indicated that it is only a question of renewing materiel because the materiel currently in several units is practically inoperative, and therefore a renewal of equipment is appropriate.

"He indicated that every country in the world renews its materiel and Bolivia is currently doing that, although it is a country with limited resources and therefore purchases also have to be limited.

"Regarding a high-ranking military meeting, the army chief said:

[begin Villalpando recording] "This meeting has been canceled; we have not planned anything." [end recording]

"Villalpando repeated that Bolivia is not carrying out any type of an anti-Chile campaign--as has been suggested in Santiago, Chile--because Bolivia is a peaceful country, although in the case of our demand it is necessary to express [words indistinct].

"Regarding his brief visit to Argentina, he remarked:"

[begin Villalpando recording] The visit of the Bolivian military delegation to Argentina was very positive. The ties of brotherhood and cooperation were strengthened. [end recording]

EANES CONCLUDES VISIT, LEAVES FOR VENEZUELA

PY271420Y Paris AFP in Spanish 1358 GMT 27 May 78 PY

[Text] Rio de Janeiro, 27 May--Portuguese President Gen Antoino Ramalho Eanes left here today at 1240 GMT for Caracas, the second stop in his tour of Latin America.

The Portuguese president last night concluded an official visit of 5 days to Brazil.

Besides his wife, Eanes is accompanied by his ministers of foreign affairs and finance and planning, Vitor Sa Machado and Vitor Constancia, as well as by 60 public officials and businessmen.

GEISEL SPEAKS ON DEVELOPMENTS IN ENERGY PROGRAM

PY230011Y Rio de Janeiro JORNAL DO BRASIL in Portuguese 20 May 78 p 13 PY

[Text of speech by President Geisel delivered in Sao Paulo on 19 May at contract award ceremony for three new Sao Paulo power stations]

[Excerpts] The energy field is one of extraordinary importance to the development program adopted by my government. This is not only because of energy's economic importance, but also because of its social significance. For man, the availability of electrical energy means added capacity.

In view of the pressures and difficulties of all kinds which today's world confronts, this is one of the sectors in which the government has placed the most importance because, in addition to our development and the exploitation of our energy sources, we are confronted with a world crisis caused by uncontrolled oil price increases. We are trying to explore the energy potential of our rivers, our hydroelectric potential, as much as possible. We are also trying to increase exploration and production of oil and coal. We are searching for an oil substitute through an alcohol project which, despite what many misinformed or unknowledgeable people say, is progressing well--far better than the government's forecasts. And although it is not well understood by many, we are also trying to develop our nuclear energy production.

Itaipu, a binational enterprise undertaken jointly with the Government of Paraguay, is under construction and is meeting the established deadlines. I believe that it will be successfully completed despite all the difficulties which may arise, especially in the financial field. We are also working on projects in the Sao Francisco Bay area.

This not only includes the Sobradinho dam, which will stabilize the river's water supply even during difficult drought years, but also the plants being built in Paulo Afonso IV and the one which has been completed in Moxoto.

We have always been able to anticipate our energy supply in relation to demand, and we will continue to do so. Brazil no longer experiences--and I believe it never will again--the situation we had in the past, during which energy had to be rationed. There were hours in which energy had to be cut off even for private homes.

I would like to call attention to another aspect of the problem: It is not enough to produce energy. What is important--and this is something to which we are deeply committed--is for that energy to be sent where it will be used.

That is to say, it is necessary to give special attention to the means of distribution of that energy, which is primarily the responsibility of the company which has the construction concession. But on the government level we are concerned about a decision adopted by my government which is already being implemented but which will take some time to developed: the interconnection of our energy systems.

We want to establish a national power production system: that is, we want the north, the northeast, the south and the southeast to be interconnected so that surplus power in one region can be used in another, so that differences in climate can be compensated for, and threats of flood in certain regions can be balanced against threats of drought in other regions.

CNEA HEAD SAYS ANGRA DEADLINES UNREALISTIC

PY2311901Y Sao Paulo O ESTADO DE SAO PAULO in Portuguese 20 May 78 p 6 PY

[Text] Rio de Janeiro--Hervasio Guimaraes de Carvalho, president of the National Nuclear Energy Commission (CNEN), yesterday stated that the organization will not alter its actions to conform to political deadlines which may endanger the safety of the Angra I project. He then warned: "These [deadlines] are optimisitic expectations from many people who do not know what they are talking about."

He explained: "A delay in the construction of nuclear plants is something which happens in any country, and the average period of construction is never less than 8 years and 3 months. If we are able to begin commercial operation of Angra I at the end of 1979, Brazil will have achieved an extraordinary and unprecedented feat by decreasing average construction time by more than 2 years."

Hervasio de Carvalho recalled that construction on the Angra I plant began at the beginning of 1973 on land which lacked basic services and facilities, and that this is Brazil's first experience in this field. He indicated that the Candu heavy water reactors being mass-produced in Canada are shorter-term projects.

"A child takes 9 months to be born. A nuclear plant also takes time, unless we want it to be premature. The construction of a nuclear plant is not a question of 'status.' Angra I is the beginning of a great nuclear program, and we have to build it as well as possible."

Reasserting his intention not to disregard all the guarantees and safeguards for the project's safety, Hervasio de Carvalho emphasized that all other nuclear plants, such as the ones being built in Finland, South Korea, Formosa, Yugoslavia and Bulgaria--that is, in countries at different levels of development, even in the socialist bloc--are encountering delays of at least 2 to 3 years.

However, Hervasio de Carvalho indicated that it is unlikely that Brazil will be able to decrease the construction time of Angra I. The work schedules presented last year during a conference held in Salzburg, Austria, by then Secretary General of the Mining and Energy Ministry Arnaldo Rodrigues Barbalho indicated the delivery date of Angra I for the end of 1978. Construction of Angra II is already set for a 6-year term, with work beginning in June 1977 and ending in April 1983. Meanwhile, Angra III is scheduled to begin construction at the end of this year and completion is forecast for 1984.

Since the Angra II and III nuclear plants are among the world's largest in power potential now under construction--with a potential of 1,300 mw each--it will be very difficult to meet those headlines, according to Hervasio Carvalho.

RISK CONTRACT SIGNED FOR OFFSHORE EXPLORATION

PY261439Y Rio de Janeiro O GLOBO in Portuguese 25 May 78 p 20 PY

[Text] PETROBRAS yesterday signed a new risk contract with the consortium made up of Pecten Brazil Exploration and Development Co, Chevron Petroleum Co of Brazil and Marathon Petroleum Brazil Ltd. The new prospecting area has 2,775 square km and is located between 160 and 220 km southeast of Paranagua in the littoral of Parana State. The depth of this offshore area varies between 110 and 300 meters. Geologically the area is part of the Santos Basin.

This is the 17th risk contract signed by PETROBRAS. As a result of the second call for bids the following enterprises have signed contracts for offshore oil prospecting: Pennzoil (two contracts for the Santos Basin); British Petroleum (two contracts, also for the Santos Basin); Hispanoil (Amazon Basin); Esso (four contracts, of which three are for the Amazon Basin and one for the Santos Basin); Pecten-Shell-Marathon consortium (Santos Basin); Pecten-Marathon (Santos Basin); and Cities Union Texas (Amazon Basin). The other contracts were signed after the first call for bids. According to the PETROBRAS Superintendency of Exploration Contracts (SUPEX), PETROBRAS will sign two more contracts by the end of the first half of the year, one with Esso and the other with AGIP, thus concluding the negotiations related to the second call for bids.

As a result of these negotiations 10 contracts have been signed for the Santos Basin and 7 for the Amazon Basin. PETROBRAS reported yesterday that it is still awaiting word from a higher authority to make the call for bids for a new series of contracts. Should this take place, the new call for bids will open land areas.

SENATOR APPLAUDS COMMERCIAL MISSION TO PRC

PY271730Y Brasilia Domestic Service in Portuguese 2200 GMT 26 May 78 PY

[Text] After emphasizing the importance of trade between the PRC and Brazil, Senator Lourival Baptista Sergipe [National Renewal Alliance--Sergipe] said that he highly approves the sending of an official delegation, headed by Ambassador Paulo Flecha de Lima, to try to enter the market of 800 million consumers represented by the PRC.

He then added that it will not be easy to establish an active trade with the PRC for various reasons, but he said that the interest of the new Chinese regime in industrial modernization opens good prospects for trade with Brazil. Baptista said that we can offer the PRC products such as soybeans, cocoa, iron ore and various manufactured goods, while the PRC could sell us oil and coal. Baptista said that Brazil cannot stay out and praised the efforts being made by Itamaraty's economic production department to gain new markets.

FIGUEIREDO LEAVES ACTIVE SERVICE FOR RESERVES

PY300154Y Brasilia Domestic Service in Portuguese 2200 GMT 29 May 78 PY

[Text] Gen Joao Baptista de Figueiredo, chief of the National Intelligence Service, was today transferred to the reserves after more than 43 years of active service in the army.

On this occasion, General Figueiredo was honored with various military ceremonies which were held today at Brasilia's army headquarters with the attendance of Army Minister Fernando Belfort Bethlem.

FURTHER REPORTAGE ON LETELIER CASE DEVELOPMENTS

Ministry Queries FBI Agents

PY261447Y Santiago Chile Radio Mineria Network in Spanish 1030 GMT 26 May 78 PY

[Text] Santiago--The Chilean Foreign Ministry has submitted to the U.S. Embassy a questionnaire addressed to FBI agents (Carter), Cornick and (Robert Chirac). Chilean Foreign Ministry judicial sources have explained, however, that the Foreign Ministry acted only as an intermediary between the third court district and the embassy in answer to a request issued by Michael Townley's lawyer.

Lawyer Manuel Acuna submitted an appeal to the courts and requested an explanation of his defendant's expulsion from the country on 8 April 1978.

Michael Townley was met at Pudahuel airport by the FBI agents; from there they took him to Washington. Townley is at present in Washington, where he is detained in relation with the Letelier assassination.

Foreign Ministry sources reported that the ministry submitted the questionnaire accompanied by a verbal notice and that now it is up to the FBI agents to answer the questionnaire. The sources added that in this manner there will be reciprocity with the actions of Chilean diplomats who, waiving their diplomatic immunity, testified in Washington in relation to the Letelier case.

U.S. attorney Eugene Propper, who is in charge of investigating the Letelier case, returned to his country last night. Alfredo Etcheberry, Propper's legal adviser in Chile, reported on his departure and added that during this trip Propper did not carry out any direct or indirect negotiations before Chilean courts in relation to the Letelier case. Moreover, Etcheberry stated that he did not know whether Propper left together with FBI agents or whether Propper would make another trip to Chile.

Propper's Visits Restricted

PY270400Y Paris AFP in Spanish 0348 GMT 27 May 78 PY

[Excerpt] Santiago, Chile, 26 May--It was reported here today that the Chilean Government will in the future restrict visits to Chile by U.S. federal attorney Eugene Propper, who is investigating the death of former Foreign Minister Orlando Letelier.

According to Interior Minister Sergio Fernandez, the government will determine the conditions under which Propper and the FBI can make visits.

Interior Minister Comments

PY270030Y Santiago Chile Radio Agricultura in Spanish 0000 GMT 27 May 78 PY

[Text] The government has just warned that it will not tolerate use of the investigations related to the Letelier case as a pretext to serve or further the biased political goals sought by those sectors which want to disrupt the good, adequate relations existing between two sovereign states.

In an official statement by Interior Minister Sergio Fernandez, it is also reported that the Chilean Government has conveyed this decision to the U.S. ambassador. It is stated that the latest visit to Chile by U.S. prosecutor Eugene Propper did not have any specific purpose which could really justify it, and that the visit was only designed to create an artificial climate in which the enemies of Chile want to involve our officials.

[Paris AFP in Spanish at 0020 GMT on 27 May adds: "The communique also emphasized the broad press coverage which preceded the federal prosecutor's visit to Chile and condemned the assassination of the late Socialist Chilean foreign minister. In a suspiciously coincidental manner, certain U.S. press and international news agencies have intensified their baseless speculations to the effect of involving the Chilean Government in the events which are being investigated, the communique states."]

FERNANDEZ ASSAILS HUNGER STRIKERS AS COMMUNISTS

PY271433Y Santiago Chile Radio Mineria Network in Spanish 1030 GMT 27 May 78 PY

[Text] The instigators themselves are responsible for the hunger strikes which are being held in the churches. It is they who should solve this problem.

This was asserted by Interior Minister Sergio Fernandez, who also charged that churches are being used to create difficulties between the government and the church. They will not succeed in this, because they are in harmony, Fernandez said.

The interior minister also denied that there would be any meeting between the government and church dignitaries. Neither the government nor the church has any responsibility for these events and the holding of a talk of this nature would lead absolutely nowhere but would only lead to false interpretations.

The minister labeled the hunger strikers as communists and Marxists. Regarding the reasons stated for the hunger strikes, namely the allegation that persons have disappeared, Fernandez asserted that this type of action is a means of expressing a political philosophy which the country has repudiated.

He also stated that the ministry will investigate all cases in which responsible charges are made and regarding which there is serious evidence.

BRIEFS

MINERAL EXPLOITATION--Santiago--The OFFICIAL GAZETTE reported today that the Finance Ministry has authorized the (Essen) Minerals Company to open a branch in Chile for the exploration, exploitation and trade of mineral deposits. [Santiago Chile Radio Mineria Network in Spanish 1030 GMT 9 May 78 PY]

INCREASE IN PRIVATE INVESTMENTS--The National Planning Office has reported that private investments increased by 47 percent in 1977 in comparison with the 22-percent increase registered in 1973. [Santiago Chile Radio Agricultura in Spanish 0000 GMT 4 May 78 PY]

PRESIDENT DENIES COLOMBIA IS 'IMPERIALIST' NATION

PA251845Y Madrid EFE in Spanish 1600 GMT 25 May 78 PA

[Text] Cartagena de Indias (Colombia) 25 May (EFE)--Colombian President Alfonso Lopez Michelsen today rejected accusations that his country is imperialistic or greedy because it has delimited its marine and submarine areas.

In rejecting comments to this effect made in the United States, the president pointed out that to delimit the above-mentioned areas is not to "take over chunks of territory" belonging to friendly countries. He added that all this is the result of the fact that "nature favored our nation with a geographic location and the Spanish crown with certain islands which have permitted us, by triangulation, to calculate the equidistant line and the middle line running through the Antilles and then establish what is ours according to the 200-mile principle and what is ours by heritage."

During commencement exercises for naval school cadets in this city on the Caribbean Sea, Lopez Michelsen defended negotiations which are being carried out with the Portuguese Government for the purchase of four corvettes. He said that if the negotiations fail it will not be the fault of Colombia. He pointed out that in the event Portugal does not allow Colombia to purchase the ships, "I will regret it for Colombia, its navy and my government." He rejected rumors to the effect that these units were "obsolete" and "junk", saying they were fairly modern and built for oceans similar to tropical ones.

LOPEZ ASSURES ELECTORAL GUARANTEES TO ALL PARTIES

PA300414Y Bogota Cadena Radial Super in Spanish 1100 GMT 29 May 78 PA

[Text] Bogota--President Alfonso Lopez Michelsen today promised full guarantees to the various political parties and groups taking part in the election campaign. The chief of state made this promise a few hours ago in a message to the Atlantic region's conservative leadership after the latter expressed its fears about the purity of the electoral process.

The country may rest assured, said President Lopez in his message, that there will be full guarantees for all citizens during the electoral debate, without special privileges for any particular political group.

GOVERNMENT EMPLOYEES TO STRIKE 30, 31 MAY

PA261410Y Bogota Cadena Radial Super in Spanish 1100 GMT 26 May 78 PA

[Text] About 50,000 government employees are planning to strike on 30 and 31 May to force the government into substantially changing Decree 710 on government employees' salaries. Employees of the finance and health ministries, the Foreign Trade Institute, the Institute for the Development of Renewable Natural Resources, and the Agustin Codazzi Institute announced that they will resort to the strike as the only way to protect their interests. Alfredo Morales, president of the Finance Ministry employees union, said the strike scheduled for 30 and 31 May--only 4 days before the presidential elections--is not politically motivated and is being undertaken only to ask for the abrogation of Decree 710 and [words indistinct] government workers.

PRESIDENT CRITICIZES WEALTHY COUNTRIES

PA270029Y Paris AFP in Spanish 2318 GMT 26 May 78 PA

[Text] Lima, 26 May (AFP)--Peruvian President Gen Francisco Morales Bermudez today censored the "lack of understanding" and "lack of sensitivity" of the wealthy countries and international organizations concerning the financial problems of underdeveloped countries. In a speech delivered at the headquarters of the Cartagena Agreement (Andean Group), on the occasion of the ninth anniversary of the organization, the Peruvian president said that the grave problem of the underdeveloped countries' foreign debt demands "integral solutions."

The efficient functioning of the international economic system depends on the strength of the economies of the developed countries as well as the sustained economic growth of the Third World, the president said. But "we have confirmed the glaring lack of vision and political and social sensitivity of the former," he added. With their lack of understanding and "shortsighted technicalities," Morales Bermudez said, the wealthy countries are provoking the "phenomena of distressing recession and explosive social situation" which only exacerbate the very same problems they should be correcting.

This situation, he said, should lead us not only to strengthening solidarity among the developing countries but to "understanding that we lack sufficient international support." He pointed out that the Andean countries have found a propitious field to coordinate common interests in "the siutable structurization of a multilateral cooperation system in Amazonia." This was a reference to the talks with Brazil on a Amazon pact in which all the countries in the basin of the great river will participate.

In another portion of his speech, Morales Bermudez emphasized the progress made by the Andean Group and expressed the hope that complementary programs will be approved this year for the metal-mechanical and petrochemical industries, that the automotive program will be implemented and that the Andean tribunal of justice will be created.

Morales on Arms Purchases

PY270303Y Lima Radio Panamericana in Spanish 0130 GMT 27 May 78 PY

[Excerpts] Peru today reaffirmed its support for the process of Andean integration, voiced a protest against the "lack of understanding" and "lack of sensitivity" of wealthy countries and international financial organizations, and stated its decision to support every effort designed to restrict the purchase of arms and to promote peace in the region, in a speech delivered by Peruvian President Francisco Morales Bermudez on the occasion of the ninth anniversary of the Cartagena Agreement.

The president said that he wanted to take that significan occasion to express his hope that the results of the world assembly on disarmament, now being held, would improve the negative international conditions which are increasingly (?worsening the economic situation) of Third World countries, especially in the financial sector, in view of the growing deficit in their balance of payments.

CURFEW SHORTENED BY HOUR IN LIMA, CALLAO

PA3000041Y Paris AFP in Spanish 0022 GMT 30 May 78 PA

[Text] Lima, 29 May (AFP)--Military security forces in Lima have reported that, beginning tonight, the curfew has been shortened by 1 hour. The curfew will be in force from 2400 to 0400 (0500 to 0900 GMT) in Lima, Callao and Balnearios, according to the authorities. The curfew has also been shortened in four other cities.

UNIVERSITIES ALLOWED TO RESUME ACTIVITIES

PY270335Y Lima Domestic Service in Spanish 0300 GMT 27 May 78 PY

[Official communique issued in Lima on 26 May by the Public Relations Office of the prime minister]

[Text] Considering that the causes which prompted the suspension of university activities have been overcome, the government announces:

1. University academic activities can be resumed beginning Monday, 29 May;

2. Consequently, university officials can determine the date of resumption of academic activities or, if appropriate, order the suspension of these activities if the circumstances demand it.

MINISTER PROMISES REPORT ON ECONOMIC SITUATION

PY270357Y Lima Domestic Service in Spanish 0300 GMT 27 May 78 PY

[Text] Economy and Finance Minister Javier Silva Ruete stated today that the government will report with (?great) precision and accuracy on every aspect of the country's economic and financial status.

Silva Ruete said that this information will be given in due time in view of the intensive work now being carried out to solve the various pressing problems faced by the Peruvian economy.

He added that in due time he will give the people an accurate, precise report on the country's financial status.

BRIEFS

PRC JOURNALISTS VISIT--A delegation of six PRC journalists, who have been in Peru for the past week, will meet tomorrow with the head of the chief of the National Information System. During their stay, the PRC journalists will visit various newspapers and meet with the director of the National Radio Broadcasting Enterprise. [Lima Domestic Service in Spanish 0300 GMT 18 May 78 PY]

EXPORTS INCREASE--Peruvian exports increased 35 percent during 1977 in comparison to 1976. Exports increased from $1,281,000,000 to $1.73 billion. During the same period, imports increased by only 10 percent. The balance of payments was favorable to Peru by $72 million in 1977. [Lima Domestic Service in Spanish 1200 GMT 26 May 78 PY]

PORTUGUESE PRESIDENT EANES ARRIVES ON OFFICIAL VISIT

Perez Greets Eanes

PA272123Y Caracas Domestic Service in Spanish 1836 GMT 27 May 78 PA

[Speech by Venezuelan President Carlos Andres Perez during the ceremony held at Simon Bolivar International Airport's main room to welcome visiting Portuguese President Antonio dos Santos Ramalho Eanes, his wife and delegation--live]

[Text] Mr President of Portugal: Your visit to Venezuela, as well as that of your distinguished wife, Mrs Ramalho Eanes, and the distinguished party accompanying you, constitutes an event of exceptional importance for Venezuelans.

For the first time, a Portuguese president visits our land, where hundreds of thousands of your compatriots and Venezuelans of Portuguese origin live. In the name of my compatriots, in the name of the Portuguese colony and in the name of my compatriots of Portuguese origin, I would like to welcome you most warmly.

We already had an opportunity to hold an extensive dialog during the visit which, thanks to your cordial and gracious invitation, I was able to make to Lisbon in November 1976.

I hold a vivid and lasting memory of that meeting with the Portuguese people, with you, Mr President, and with your prime minister, Mr Mario Soares.

Portugal's recent history makes us support even more firmly your decisive action to preserve the system of freedom and dignity which the Portuguse Republic currently enjoys.

Your democratic beliefs, your calmness and your loyalty to your people as a military officer have played a very important role in Portugal now that the clearest and broadest prospects are bing opened to the great Portuguese nation.

For all these reasons, I am sure that I convey the deepest and warmest Venezuelan greetings by welcoming you cordially and fraternally, along with your wife and the other members of your party. Welcome, President Ramalho Eanes, you are in your own land and house. [applause]

Eanes Arrival Speech

PA272125Y Caracas Domestic Service in Spanish 1840 GMT 27 May 78 PA

[Speech by Portuguese President Antonio dos Santos Ramalho Eanes during ceremony held at Simon Bolivar International Airport's main room upon his arrival in Venezuela, in Portuguese followed by translation into Spanish--transcribed from Spanish--live]

[Text] Mr President: I arrive in Venezuela with the feeling that I am revisiting a friendly and admirable country. This feeling stems from a shared history that on many occasions has coincided regarding the grand ideals and human rights we have defended. This admiration constitutes an evocation of Simon Bolivar and by itself justifies the contempoarary developments promoting full coexistence between our nations.

Our friendship stems naturally from the fraternal relations happily established between our peoples, which, especially over the past 40 years, have allowed tens of thousands of Portuguese people to find in Venezuela a fatherland as worthy of their devotion as the country from which they departed.

But this feeling of admiration and friendship is also inspired in me, Mr President, by my knowledge of you and your political career since you have been leader of Venezuela.

From our very first meeting I became accustomed to seeing in you, Your Excellency, a Venezuela whose political dimensions have exceeded the geographic borders of your country and gained an important place in continental and world affairs.

Under Your Excellency's administration, Venezuela has reaffirmed public freedoms, modernized and democratized its economic structure, improved the lot of its proper citizens, increased its productivity and fostered the growth and improvement of its national culture. All this has elicited the interest and attention of all those nations (?concerned) with the freedom and well-being of their peoples.

This ideal, which fulfills Simon Bolivar's dream [words indistinct], President Romulo Bethancourt, made at a decisive moment in modern history.

In the near future Venezuela will become the enlightened and prosperous fatherland of democratic governments with popular roots. Internationally, it will become a nation engaged in the noble effort to contribute to an effective organization [articulacion] of this vast archipelago of diverse, depressed and underdeveloped republics which comprises Latin America.

Portugal, nonetheless, can testify that under President Carlos Andres Perez' guidance, Venezuela is not only aiding other Latin American peoples, but taking from its very cultural roots a universal role.

Newly reinstated with a democratic government, which we want to be genuine--that we can find in Venezuela the understanding and support that can be found only in a country that reconciles noninterference in the domestic affairs of other peoples and respect for the principle of self-determination with a constant concern for supporting and preserving democratic institutions and values.

Today, Venezuela and Portugal share vast areas of contact in the principles they endorse and which typify a true democracy, in guaranteeing and observing the rights of man and public freedoms and in the (?continuation) of efforts aimed at guaranteeing justice in international economic and political relations. This convergence of viewpoints will of course facilitate the search for new paths of bilateral cooperation which we must be able to find so that our relations in the area of technical, commercial and cultural cooperation may correspond to the quality of our political relations and may be worthy of the indestructible friendship between our peoples.

It is with this hope that, as I step on Venezuelan soil for the first time, I salute Your Excellency and this great country and its people. [applause]

Perez Speaks at Banquet

PA281343Y Caracas Domestic Service in Spanish 0134 GMT 28 May 78 PA

[Speech by Venezuelan President Carlos Andres Perez at banquet in honor of Portuguese President Antonio dos Santos Ramalho Eanes at La Casona presidential residence--live, intercepted in progress]

[Text] ...Your wife and the distinguished delegation accompanying you renew in me those pleasant feelings that resulted from your warm hospitality in fraternal Lisbon during my visit in November 1976. In the eyes of our people, you represent an honorable race. The Portuguese people represent an essential aspect of our own people. Our two nations have always been united by strong bonds. The presence in our country of hundreds of thousands Portuguese who have joined with fruitful and constructive enthusiasm in our national activities is the best evidence that our relations are firmly established in a merger of blood and spirit indicative of the ever-growing identity between our two countries.

It is not a mere formality when I tell you and your delegation that you must feel at home here. Venezuela has long known the activities and friendliness of Portugal. Yesterday, today and always our soil has been the scene of the gallant deeds of the Portuguese, always engaged in peaceful and constructive labor. Thus in the discovery, in the colonization and in the foundation of our cities, the enthusiastic and persistent efforts the Lusitanians have always been outstanding in their contribution to the creation and development of this generous and modern nation.

Venezuela welcomes you with fraternal sentiments, Mr President. You have been preceeded by hundreds of thousands of immigrants determined to join in the positive task of creating our nation. We are pleased to tell you that a study conducted by our university has revealed that of all our immigrants, the Portuguese are the ones who most rapidly and thoroughly adapted themselves to Venezuela. A huge human contingent of Portuguese origin has been profoundly integrated into our society. This has been so throughout our history.

The ties between our nations are quite old. It has been 4 and ½ centuries since the attempt of colonization and settlement by Portuguese Sebastian (Debello) Cabrera in 1528. From those beginnings in the establishment of Venezuela, we also recall the foundation of Guanare, today the important capital of our province, which, by happy coincidence, is named Portuguesa State in honor of the brave Portuguese captain, Juan Fernandez de Leon.

This is an approriate occasion to note that it was in the same year of the battle of Carabobo, in 1821, that Portugal, through its government established at the time in the neighboring sister nation of Brazil, was the first to recognize our independence. The Portuguese and Brazilian Foreign Ministry [as heard] also wanted to strictly adhere to the integrationist objectives of Bolivar, whose military and political prestige in Latin America was great. It was Gen Francisco de Paula Santander, at the head of the Gran Colombia Government, who answered Portugal in these grateful and eloquent words: Portugal has opened the door in Europe for the recognition of the American countries.

Even with that noble background, the best of our relations belong to the present and undoubtedly to the future. This promising meeting in Caracas confirms and underscores the previous one we held in Lisbon. During the days of my visit to your beautiful and fraternal nation, in all of America there were firm hopes regarding the political process in Portuguese society. Our peoples had celebrated 2 years before, in 1974, the Portuguese desire to eradicate an abominable tyranny and open the path, with sure and honourable determinati ..., to democracy.

In that occasion, we admired the courageous way in which the will of your nation was expressed. We were able to conclude that the hard years of autocracy--with which the Venezuelans have had bitter experiences--had not destroyed the democratic conscience of the Portuguese people. The test was hard. The firm, democratic support of other governments and peoples was a factor that cannot be overlooked, not only in the form of the strong encouragement the Portuguese people--civilians and military--received in overcoming difficulties, traps and personal ambitions, but also in the form of a cautious warning regarding the complex international stage onto which Portugal was projecting its sovereign decision to fulfill its democratic calling.

Nonintervention and the self-determination of peoples have been and are basic unrenounceable principles for our nations [words indistinct] desires of predominance or power, devoted to the creative work of progress for the well-being of our peoples.

In the same way, the current presence of supranational, international or regional organizations has produced agreements and commitments that bestow on the signatories international obligations. Proclaiming these supranational rights, the democratic nations of Europe and America gave our support to and asked for respect of the self-determination of the Portuguese people, just as we did in recent days in the delicate situation being experienced by the fraternal people of the Dominican Republic--the first land in the new world to be seen by Iberian eyes.

Gen Ramalho Eanes, we can use this military title in Portugal and Venezuela as a token of the respect and solidarity of peoples who see in your armed forces firm and unwavering bastions of national dignity and honor and loyal and sure guarantors of the people's sovereignty. As president of the Republic of Portugal, you are an authentic representative of a people who chose you with more than 60 percent of the votes and not through the use of arms in disregard of the people's will. Upon solemnly assuming the presidency before the assembly, which was also elected by the people's vote, you swore to fulfill the democratic constitution drafted by the legitimate representatives of the people and to defend it as a document of political life based on justice, equality, respect of freedoms and progress shared with all the people, as you had stated before your electoral campaign.

In 1975, when engaged in military duties, you brilliantly defined the role of the armed forces in a democratic republic: to serve as a nonpartisan force and an institution of national prestige, closely linked to the people it should serve, and to provide a needed example of discipline, cohesion and efficiency. A few months later, still at the service of the armed forces, you affirmed that the Portuguese people would have their democracy, and that there would be no dictatorship imposed on them.

In our Latin America, such important democratic military actions have great repercussions. You arrived at the presidency of the republic through the honorable means of popular elections to become the highest guarantor of the constitution and the essential moderator of your country's political life, fully recognizing the fundamental presence of the political parties as indispensable instruments of democracy. This democratic experience of Portugal is only 4 years old. The task has been difficult. But it has never been impossible for peoples to gain their great objectives when their leaders remain true to their ideals and loyal to the established democratic institutions.

The firm foundations for the great future of Portugal have already been laid in these first 2 years of the first constitutional government.

Very soon after the massive action that marked the days of amendments, progress and basic changes, all of Latin America felt assured that the Portuguese Republic had gained the honorable place that history reserves for glorious nations, nations characterized by exemplary achievements and sober ambitions of greatness.

I repeat on Venezuelan soil today what I said on 29 November 1976 at the presidential palace in Lisbon before you, the Portuguese administration and other distinguished personalities: Today I visit the Portuguese Republic with optimism concerning Ibero-American ties. Today, more than ever before, we see Portugal and Spain looking toward Europe and walking toward Latin America--broad horizons opened to a great, common destiny.

In the bilateral and international fields, our mutual interest, our identity of ideals and our joint endeavors are manifested in many areas. We have already had the opportunity to identify the basic coincidences of our governments' objectives, and cooperation between our nations has opened practical means for coordinating activities and projects. In this continuation of our dialog, we shall not only reaffirm the principles and declarations we signed in Lisbon, but we will also undertake new initiatives concerning our common objectives, international policy and the practical development of our bilateral relations.

Our two countries have positively advanced in the areas of political, technical, scientific and cultural cooperation. On Monday, prior to your departure, we will sign the document which will permit us to formalize the areas and sectors of cooperation which we have decided to add to those already agreed upon during my visit to Portugal. At the same time, the agreements which are being signed between the private sectors of both countries give a firm start to the technological, industrial and commercial exchange between Portugal and Venezuela.

In international relations, in world forums and conferences, in the debates of the most important issues of our historic times, the coincidence of views between our two countries has been auspicious, especially concerning the creation of a new international economic order and the defense of human rights and fundamental freedoms within the community of nations. At this time when in New York the special UN General Assembly on disarmament is underway, I am sure the voices of Portugal and Venezuela will join in demanding the authentic sincerity of the superpowers in their positions and decisions on disarmament and the end of the nuclear race. As we have both declared, we are not willing to risk the authentic and noble destiny of our peoples, their dignity, culture and progress, with the precarious guarantee of an armed peace.

The new international economic order does not mean an advantageous position for the developing world at the expense of the big industrialized nations. The latter--capitalists and socialists--also need the new economic order because if the present order is unfair and unacceptable to the South, it is no longer an advantage to the North.

We both want that new order to cover human relations, not just the economic institutions; we want it to cover human rights--indispensable and unrenounceable if international justice is to be authentic.

The Third World is an incontestable reality despite the differences and varied divergences of the nations composing it. We are not a threat to the industrialized world, but rather its necessary and inevitable complement; we are not merely part of humanity--with equal rights and duties--but represent a nondeferable opportunity for the economic recovery of the developed world in exchange for the generation of productive capacity and increased purchasing power by our nations, participating in economic development on an equal basis and with our own strength. [sentence as heard]

The international order for which we strive must be based upon the recognition of interdependence as a system of fairness, balance and international justice. Never again should we be the vendors of basic commodities and human labor at miserable prices and purchasers of manufactured or capital goods and technology at prices which permit developed nations to maintain their present capacity for excessive consumption, the cost of which is our people's poverty.

Mr President, you come from a great fatherland of Latin America, which is the product of the feats and glories of Portugal, of its great captains who explored the route to the east and opened the route to America. Brazil is a land and a people close to us not only geographically and historically, but also in commonly held integrationist ideals. The largest population in the world of Portuguese origin and language lives there. It is a vital part of Latin America, a future center of the Amazon Pact, to which we will belong together with Colombia, Bolivia, Ecuador, Peru, Guyana and Surinam. The decision to integrate symbolizes Latin America's physical and spiritual desires. We are making progress toward it, step by step. Portugal and Spain are to be pilots in establishing cooperation and in reaching agreements which will make possible the integration of this immense Ibero-American world, which is now joined by the new republics of the Caribbean, forming one of the most promising areas for the world's progress and peace.

Mr President, your presence here comes at a time when we are evaluating the effects of the largest wave of Portuguese immigration, which started 25 years ago. We are all witnesses and can therefore attest to the benefits of this experience which, although it has acclerated in the past 2 and 1/2 decades, began during the time of the colony. Venezuela's admiration for Portugal has been renewed during these 25 years of fraternal and joint activity. We applaud and share your liberal attitude which has no racial bias, pedantry and vanity.

We feel great respect and affection for those who have won it with their modesty, simplicity and hard-working spirit, who are honorable and virtuous, responsible workers, deft and competent, with Christian morals, civic uprightness, proverbial honesty and determined democratic convictions. The Portuguese are all this in our large, cordial and Democratic Venezuela of 1978. They are loyal sons of their new country, loving sons of their country of origin, and exemplary, worthy and wise citizens.

There is no profession, activity or endeavour in science, economy or art in which some person of Portuguese origin or descent cannot be found. Their blood is our blood and we are strongly united in the struggle for a great present, which is paving the way for a great Venezuela.

Mr President, Venezuela greets you and your distinguished wife and the members of your entourage. Not only from my words will you come to appreciate how Portugal is loved in my country, how her children are admired and how her culture and growing progress--which so encourages us and which can lend us such cooperation--are studied. Hundreds of thousands of your fellow citizens live here with their families. They give the product of their work and love to our country. They live and dream here and are the best testimony to what I say regarding our good relations.

Mr President, Mrs Ramalho Eanes, I want to offer a toast to this conjunction of efforts, will and fraternal affection between our two fatherlands and for your happiness, Mr President and Mrs Ramalho Eanes.

Eanes Banquet Speech

PA282135Y Caracas Domestic Service in Spanish 0203 GMT 28 May 78 PA

[Speech by Portuguese President Antonio dos Santos Ramalho Eanes at banquet in La Cosona presidential palace hosted by Venezuelan President Carlos Andres Perez--live, in Portuguese with simultaneous Spanish translation]

[Text] Your Excellency Mr President: I am pleased to note that the grand dialog which we are initiating at this moment is possible thanks to Your Excellency's firm qualities as a statesman with deeply rooted democratic ideals and to the many close ties which link our two countries. These ties were mentioned by Your Excellency in your 8 September 1977 speech, from which I am honored to quote the following: The Iberian Peninsula was the great path by which the African, Islamic, Lusitanian and European peoples reached us. They were dispersed throughout America in close coexistence with pre-Columbian cultures, combining a wide array of languages, religions and ideologies with Spanish and Portuguese. Christianity, as the unifying element of this Latin American continent, forged a community bound by cultural and historic ties.

Latin America has nourished itself from the Iberian Peninsula and Iberia from America. This, Mr President, is a viewpoint I accept and which, in my opinion, expresses a truth imbued with the history of humanity--the existence of a family of peoples, each with a clear-cut personality, but interconnected by common cultural and human ties that form an indivisible patrimony.

From the perspective of this historical process, the rebirth of our fatherland does not need to be a painful or traumatic experience, but rather a natural phenomenon, as long as it corresponds to the authentic self-determination of the peoples, thus replacing a relationship of submission with another of sovereign equality. It is with this attitude that Portugal and Spain now maintain more fraternal relations with these young countries on this side of the Atlantic, and it is with this same outlook that we conduct our relations with the new African countries in which Portuguese influence exists. Free and independent, but also liberated from any lingering complexes from the colonial era and even proud of the contribution by the fatherland, the ideal conditions now present themselves to us for strengthening, in pragmatic ways, a cooperation in all areas which can relfect a perfect natural understanding.

Until 1974 Portugal did not consider the possibility of this type of relationship. It was left in isolation, deaf and blind to the realities of the world of today, forgetting that to oppose the historic process meant to stray from the fold of fraternal and friendly nations, creating conditions for violence in the natural process of disintegration [desprendimiento] that marks the beginning of a new era.

Today, however, having removed the circumstantial barrier which separated us from the democratic countries, it is with them that we seek the privilege of having relations, particularly with those to whom we are bound by the realities of a history to which we have jointly contributed.

We are also bound to Venezuela by identical views regarding the most important international issues, the resolution of which will affect our destinies.

I would also like to note the characteristics of unity displayed by the large Portuguese community residing in Venezuela, most of them natives of that beautiful part of Portugal which is the island of Madeira. The contribution of those Portuguese to the development of this great country through their work, honesty and dedication is not only a cause of pride for Portugal but a cause of appreciation for Venezuela, which generously took them in.

Mr President, after reviewing the cooperation between our two countries, it is not difficult to see that the results are positive and becoming increasingly better. This constitutes a happy indication of the direction being taken in the relations which we have revitalized since 1974. The democratic process which began on 25 April, guided by the ideals and values which form our spiritual identity, was soon undermined by missioners of ideologies and agents of interests which were not those of Portugal, but our people's desire for democracy could not be ignored. As part of that people, the majority of the military, who had not allowed themselves to be used, on 25 November deposed a totalitarian system and returned the revolution to its initial purity.

We now have democratic institutions which, although sometimes reflecting the errors of inexperience, are attempting to recover lost ground in a struggle against time in order to make reforms that will prevent the enemies of democracy from attempting to blame them for problems for which they were responsible. We have defeated the dictatorship and the other opponents of democracy. Now we face the challenge of overcoming the errors of both in building a modern, more just and more fraternal Portugal.

We are making progress in a climate of national reconciliation marked by the generosity that is appropriate for a truly pluralistic democracy. The rights of man, the contents of which we have defined in the humanistic philosophy that guided our conduct in our multi-faceted relations with other peoples, [words indistinct] and in domestic political practices, the place of supreme value.

This is evidenced on the international level by the recognition given Portugal in the recent election of this nation to the Human Rights Commission of the United Nations Economic and Social Council.

The sovereign branches of our government are fulfilling with complete independence the missions which the constitution has entrusted to them, at the same time demonstrating a cohesion that is reinforced to the extent that better means of coordination and a more thorough integration in the management of Portuguese public affairs are developed. The armed forces, which restored democracy in Portugal, are today the guarantors of the functioning of the constitutional mechanisms. This is the justification and purpose of their national mission.

Mr President, the normality of our political life, which is proof to the world of the effectiveness of peaceful methods in achieving profound transformations in society, even in cases of structural change, makes us more aware of the fact that the challenge we now take up is the reconstruction of our economy and, immediately afterward, the restoration of equilibrium in our international balance of payments.

We believe that the realization of these goals depends essentially on the mobilization of the Portuguese people and their willingness to bear the sacrifices necessary for the construction of a better future. In addition, we have the support of the countries which share with us the ideals of freedom and democracy in their new economic perspectives, meaning each citizen's access to the benefits of progress in his own country and the reduction of the gap between the standards of living among countries that follow the same economic precepts.

Aware of these realities, and that economic justice is a new demand among peoples, it is pleasing to stress Venezuela's decision, which, even before the formal start of complex negotiations with the International Monetary Fund, contributed with conviction to our determination and will to [word indistinct]. This gesture reveals understanding and possibilities for cooperation in the future.

The instruments that will implement the development of a cooperation which we hope will be intense and of mutual benefit are already prepared or being drafted. We have the political will, and we will be able to give substance to this new spirit in our relations. We only need to remove the vestiges of past inertia and to decisively stimulate the two governments and our business sectors to take note of possible areas of cooperation, to harmonize the interests of the two countries and to proceed rapidly in the direction of making increased cooperation a reality.

Mr President, from the talks I held with Your Excellency in Lisbon and those this afternoon, I am sure of the agreement of our points of view and of a friendship that can well serve as an example of health coexistence in relations among peoples.

In the name of my wife and on my own behalf, I thank you for the open hospitality and affection with which we have been received. I invite all present to join me in a toast to the personal happiness of Your Excellency, the President of the Republic of Venezuela, and Mrs Perez, as well as to the prosperity and progress of the Venezuelan people.

PETROVEN PRESIDENT LEAVES FOR ROMANIA ON OFFICIAL VISIT

PA260240Y Caracas Diplomatic Information Service in Spanish 1229 GMT 25 May 78 PA

[Text] Caracas, 24 May (VENPRES)--Gen Rafael Alfonso Ravard, president of the Venezuela Petroleum Company [PETROVEN], left today for Romania to study the petroleum recovery technology that is being developed in that country. During his official visit to Romania, Alfonso Ravard will meet with directors of the Romanian Petroleum State Enterprise (ROMPETROL) and with ministers and important officials of the ministries of Mines, Petroleum and Geology, the Chemical Industry, construction industry [as received], and Foreign Trade and International Economic Cooperation.

PETROVEN has announced that General Alfonso Ravard will visit several oilfields, especially those where POMPETROL is testing combustion in situ and secondary and tertiary recovery projects.

The PETROVEN official will also visit the petrochemical complex in Brasi and the research, designs and projects institute for the petroleum and gas industry of Romania located in Campina.

When asked about the relationship between his trip and the new alternatives available to insure the permanent technological assistance required by the oil industry, General Alfonso Ravard stated: "PETROVEN is always alert to all possibilities of diversification and enrichment of technological resources while at the same acting progressively in the development of its own technology."

BUDGET FOR NEXT YEAR SET AT 45 BILLION BOLIVARES

PA272000Y Caracas Radio Continente Network in Spanish 1000 GMT 27 May 78 PA

[Text] Venezuela's budget for next year will be 45.8 billion bolivares. The announcement by Finance Minister Luis Jose Silva Luongo was made after it was approved during a special cabinet meeting which lasted 4 hours. Silva Luongo indicated that the public credit laws [words indistinct] investments in the basic sectors of production. He pointed out that in the next budget less use will be made of public credit. The largest planned budget increases have been slated for education and health. This budget is over 6 billion bolivares less than the previous one, a cut which does not affect any programs.

PRESIDENT LOPEZ-PORTILLO RETURNS FROM USSR, BULGARIA

PA300355Y Paris AFP in Spanish 0344 GMT 30 May 78 PA

[Text] Mexico City, 29 May (AFP)--Mexican President Jose Lopez-Portillo returned here tonight after a visit to the USSR and Bulgaria.

The president refrained from making any statements, and after a brief welcoming ceremony at his official residence in Los Pinos, he retired with his family, which had accompanied him on the 15-day trip.

REPORTAGE ON LOPEZ-PORTILLO'S VISIT TO USSR, BULGARIA

For a Moscow PRAVDA text of the communique on President Lopez-Portillo's visit to the USSR, see the Latin America and Caribbean section of the 30 May Soviet Union DAILY REPORT. For Sofia BTA and Domestic Service coverage of President Jose Lopez-Portillo's visit to the People's Republic of Bulgaria, see the Bulgaria section of the 30 May Eastern Europe DAILY REPORT and subsequent issues.

CASTRO TO VISIT MEXICO TO SIGN TLALTELOLCO TREATY

PA270446Y Madrid EFE in Spanish 0217 GMT 27 May 78 PA

[Text] Mexico City, 26 May (EFE)--President of the Cuban State Council Fidel Castro will visit Mexico this year to sign the treaty proscribing nuclear weapons in Latin America, the local evening paper OVACIONES said today. The daily said that Castro's trip will take place in July or September. The visit will also define the system Mexico would use to sell petroleum to Cuba.

OVACIONES noted that because of the importance of the Cuban president's visit, he will meet with Mexican President Jose Lopez-Portillo in some eastern city or in the Mexican southeast. It specifically mentioned the possibility of Merida or the Cancun tourist resort.

OVACIONES referred to its sources only as "sources linked to the youth sector of the Institutional Revolutionary Party now in power and leftist political sectors."

Cuba recently refused to sign the treaty banning nuclear weapons in Latin America, claiming that it has flaws which allow the United States to maintain military bases with nuclear weapons within the zone covered by the treaty.

Recently, the Soviet Union signed Protocol II of the document and agreed to respect the statute which eliminated nuclear weapons from Latin America.

Sources close to the organization for the proscription of nuclear arms in Latin America told EFE that the USSR's signature will allow it to renew negotiations in this respect with Cuba.

STUDENTS DEMONSTRATE AGAINST CARTER VISIT, PINOCHET REGIME

PA291712Y Panama City ACAN in Spanish 1655 GMT 29 May 78 PA

[Excerpt] Panama City, 29 May (ACAN-EFE)--Several hundred students demonstrated here today against the forthcoming visit to Panama of President Jimmy Carter and in repudiation of the Augusto Pinochet regime.

The U.S. President will come to Panama on 16 June to exchange the instruments of ratification for the new canal treaties with Panamanian Chief of Government Gen Omar Torrijos.

The demonstrators marched along the main avenues of this capital and staged a meeting near the U.S. Embassy, which was closed for Memorial Day.

The protest march then went to the UN office, which was peacefully occupied last Tuesday by seven Chilean women who are on an indefinite hunger strike. They are demanding that the Pinochet government disclose the whereabouts of thousands of missing persons.

CHILEAN SOCIALIST CARLOS ALTAMIRANO ARRIVES IN PANAMA

PA272004Y Madrid EFE in Spanish 1843 GMT 27 May 78 PA

[Text] Panama City, 27 May (EFE)--Chilean Socialist leader Carlos Altamirano has arrived in Panama "to strengthen solidarity against the dictatorship of the Augusto Pinochet regime."

When he arrived on Friday in response to an invitation by the Federation of Panamanian Students, he said that Chilean exiles' morale is good. He added that they continue to have a compelling desire to return to Chile.

The Socialist leader added that during his stay in Panama he may meet with Chief of Government Gen Omar Torrijos.

Altamirano added that the so-called amnesty issued in Chile is just one more trick of the Pinochet government, that many exiles have filed requests to return to their country and have been turned down.

Altamirano has recently been visiting Mexico and Costa Rica.

STUDENTS PROTEST SHORTAGE OF EDUCATIONAL MATERIALS

PA291439Y Panama City Radio Mia Network in Spanish 1100 GMT 29 May 78 PA

[Excerpt] We have been informed that the arts and vocational school students are demonstrating in the streets, stoning cars and buses passing in front of the school and under the overpass. We warn drivers intending to go in that direction to take a detour to avoid complications. Also to be avoided is the end of Tumbamuerto Highway, where it meets Via Bolivar and the bypass.

This report has been confirmed by our special reporters.

We have also been informed that national institute students have just left the school for the streets. The reason for this is unknown. The arts and vocational school students are demanding money so that the shortage of edcuational materials can be solved.

We ask: Where is the education minister? Every day there is a demonstration, a problem which shows how deficient the ministry is. The government still has not taken any steps to solve a problem which greatly affects the nation's economy. If today, the first day of the week, all commercial activity is paralyzed [fragment as heard]

Yesterday, a meeting with the business executives ended and today all firms are halting activity because students are demonstrating and causing concern.

Demonstration Ends

PA291820Y Panama City Televisora Nacional in Spanish 1750 GMT 29 May 78 PA

[Text] This morning students of the arts and vocational school held a demonstration, blocked key streets in this capital, stoned vehicles, deflated tires and created traffic problems to protest the lack of equipment in their school's various shops as well as the delay in meeting their demands, which had been presented earlier to Education Ministry authorities. The students placed obstacles of various types along Via Bolivar and Via Argentina to demand, among other things, the presence of Education Minister Dr Aristides Royo. The situation continued until noon when a high-ranking Education Ministry official showed up at the site and reached an agreement which will be in effect until tomorrow at 0700. According to the student spokesmen, a final response is expected by that time.

The students returned to their houses at noon.

COUNCIL OF STATE SUGGESTS TORRIJOS AS PRESIDENTIAL CANDIDATE

PA300443Y Panama City Televisora Nacional in Spanish 2315 GMT 29 May 78 PA

[Text] During a meeting this morning in Farallon, the General Council of State discussed the present political situation. Important government officials discussed the implications of the return of the exiles, especially the return of Dr Arnulfo Arias, possible reforms to the national constitution, and the 6 August elections.

During the discussions, a proposal was made that the present chief of government and commander in chief of the National Guard, Gen Omar Torrijos, should be a candidate for the post of president of the republic. According to the constitution, the president will be chosen by the assembly of representatives elected on 6 August. There was general agreement regarding this proposal, which was made while Torrijos was absent from the meeting room. Although there is no official report about Torrijos' reaction to what was discussed this morning by the council, unofficial sources have noted that Torrijos is open to all considerations regarding his political future and the role he will play in this new era.

LAWYER QUESTIONS CONSTITUTIONALITY OF ELECTIONS

PA260409Y Panama City Circuito RPC Television in Spanish 0300 GMT 26 May 78 PA

[Text] Alleging that the forthcoming elections for corregimiento representatives violate Article 20 of the constitution because the vote of each Panamanian does not have the same value and that the minorities have greater rights than the majorities, Carlos Ivan Zuniga today submitted to the Supreme Court of Justice a writ for the protection of the constitutional guarantees and against Decree No 7 of 20 February 1978. The decree in question convokes Panamanian elections to elect the 505 members of the National Assembly of Corregimiento Representatives.

Carlos Ivan Zuniga submitted the writ as a Panamanian citizen and lawyer. The writ was presented at the office of Juan Materno Vasquez, president of the Supreme Court. According to Zuniga, the decree in question denies the equality of the rights of Panamanians before the law and violates the precept of the equality of the vote, propitiating the same violation of Article 20 of the constitution which occurred in the 1972 elections.

With his writ, Zuniga submitted an analysis by Antonio J. Sucre on the proportion of voters by corregimiento to reach the conclusion that not even the votes have the same value, that the minorities have greater rights than the majorities and that corregimientos with a very low population figure have the same electoral power as the most densely populated because only one representative can be elected for each corregimiento.

STEPS TAKEN FOR TRANSFER OF CANAL POSTAL SERVICE

PA260015Y Panama City LA REPUBLICA in Spanish 24 May 78 p 1A, 2A PA

[Article by Jaime Enrique Beitia: "Coordination of Canal Zone Postal Service Transfer"]

[Text] Postal Director General Marden Torrijos revealed that the first steps in coordinating the transfer of the Canal Zone postal service to Panamanian jurisdiction were taken yesterday.

Yesterday morning, the director general of the Institute of Hydraulic Resources and Electrification, together with the director of the Postal and Telecommunications Services [COTEL] and representatives of the Panama Fire Department, visited the Canal Zone installations, where they were received by the vice governor, who gave them some documents illustrating the flow of mail.

Marden Torrijos also explained that when the zone postal services pass into Panamanian hands, the Panamanian Government, by means of its postal service, will give the users the same service now rendered by the Canal Zone authorities and will also maintain the installations.

Referring to the creation of the postal institute, the COTEL director said that it has not yet been approved by the National Legislative Council.

He said that this state instituion continues operating with the same budget it had 5 years ago, that is $4 million, and that there are over 1,400 persons working in the postal and telegraph service. "These earn rather low salaries. In spite of our efforts to give them salary increases, it has not been possible," he said.

He also said that at this time there are over 3,000 postal boxes still not used in Panama City, plus others in the provinces. He said that the institution under his direction has improved the home delivery of letters and is installing two offices in Tocumen airport in order to provide better service.

He added that the Juan Diaz post office and the Chitre postal administration offices are being rebuilt. He said that the Santiago, Veraguas postal administration building and the La Mesa post office will be inaugurated in June. A post office will also be established in the Rio Hato base, the high-level official said.

Marden Torrijos concluded by saying that all these projects are being carried out with this year's budget and that the telegraph service is still without a budget. President Demetrio Basilio Lakas has taken great interest in the improvement of the communications system, he added.

COSTA RICA

GOVERNMENT ANNOUNCES FINANCIAL REORGANIZATION

PA282038Y San Jose Radio Reloj in Spanish 1330 GMT 28 May 78 PA

[Text] The banking sector is to be reorganized as part of a financial modernization program. In accordance with this, all banks and public and private financial institutions operating in Costa Rica will be subjected to the Central Bank's general guidelines in connection with credit matters. Other changes include the creation of a national commission for securities, the transformation of the central loans and savings department into a true central mortgage bank, the transformation of banks into specialized institutions, and the creation of an administrative department for financial instituions.

The government has announced its position regarding the banking and credit policies that will be implemented in this country. As a part of the financial reorganization program, the state banks and the Central Bank will all be reorganized, and all state banks will be subject to the Central Bank's general guidelines in the credit, exchange and monetary areas.

CONFLICT WITH CORN GROWERS REPORTEDLY RESOLVED

PA262210Y San Jose Radio Reloj in Spanish 1730 GMT 26 May 78 PA

[Excerpts] According to our correspondent in Guacimo, the main roads leading to the plant of the National Production Council are still blocked today. Antiriot units are at the plant to avert violence. The farmers continue to maintain their barricades and have asked the students to join their struggle.

The Union of Small Farmers of the Atlantic [UPAGRA] issued a communique today to maintain their barricades in Guacimo. The struggle has been won, we are overcoming, is the communique's main theme. The farmers urged the area's schools and institutions to take a stand on the problem.

The communique refutes statements made by the interior minister, who said that everything had been solved and that the strike had ended. The meeting at the National Production Council is still going on. It began at approximately 0700.

In the meantime, our correspondent has talked with the National Production Council and reports that the meeting between the farmers and the council's president has just ended. Here is what he said:

We talked with Carlos Eduardo Roberts, president of the National Production Council, and asked for details about this first contact, about this first round of talks with the farmers on the Atlantic, and more particularly in Guacimo, in the wake of the conflict that has arisen.

[Roberts--presumably recorded] Actually, this is not the first meeting we have held. Rather, I would say, this is perhaps the latest one. We have held many meetings with the farmers in Guacimo. The first one was held on 12 May. Another one was held at the presidency 2 or 3 days ago. Lastly, we held a final meeting yesterday in Guacimo, during which I exchanged views with the region's farmers for the third time.

Today, we have reviewed, at my request, the data of the National Production Council, that is, the figures of what it will pay, on the average, for the new crop at the newly established subsidy price of 82 colones.

We have now concluded this review and the representatives are contacting the farmers in Guacimo by telephone to tell them about the final results of this review. The review was carefully made and, fortunately, there were no significant discrepancies in the figures. The differences about to cents, not colones.

I expect to get their answer today, an affirmative answer, and I hope that we will be able to conclude this matter.

[Question] In other words, there will be white smoke in the next few hours between the corn farmers and the council.

[Answer] We expect this to be so. [end recording]

CARAZO APPOINTS COMMISSION TO DRAFT FISHING PLAN

PA262202Y San Jose Radio Reloj in Spanish 1730 GMT 26 May 78 PA

[Text] The president of the republic has created a commission to draft a national fishing plan. The commission specializing in fishing matters will meet and deliver to the president the fishing program that will be implemented during this administration.

Areas which hitherto have not been taken into account will be integrated. It is necessary to create an air and sea patrol fleet and to make maximum use of the 200-mile maritime zone. This is the objective of the program that will be announced within the next 15 days.

COMMITTEE DISCUSSES EXPROPRIATION OF SOMOZA RANCH

PA262200Y San Jose Cadena de Emisoras Columbia in Spanish 1720 GMT 26 May 78 PA

[SERCANO Network]

[Text] The Legislative Assembly Committee for Government Affairs and Administration is currently meeting at El Murcielago, a ranch owned by Nicaraguan President Gen Anastasio Somoza. The meeting is to discuss the expropriation of this ranch and possibly other estates owned by General Somoza in Costa Rica. The government's objective in acquiring El Murcielago is to enlarge the Santa Rosa historical park.

GUATEMALA

34 KILLED, 23 WOUNDED IN ATTACK ON MILITARY POST

PA300420Y Paris AFP in Spanish 0413 GMT 30 May 78 PA

[Text] Guatemala City, 29 May (AFP)--Thirty-four people were killed and 23 wounded, 7 of them soldiers, in an attack on the Panzos military post in Alto Verapaz Department, 220 km north of this city. The army has issued an official bulletin on the attack, which took place early Monday morning. The army blames the attack on leftist extremists.

ECONOMY MINISTER OPPOSES SEA-TO-SEA OIL PIPELINE

PA292153Y Guatemala City Fabulosa Network in Spanish 1720 GMT 29 May 78 PA

[SERCANO Network]

[Text] Guatemalan Economy Minister Ramiro Ponce Monroy has stated that Guatemala would never yield to pressure to build an oil pipeline on its territory to transport crude petroleum from Puerto Barrios on the Atlantic to San Jose on the Pacific Ocean.

The cost of such a pipeline has been estimated at $22 million. Certain U.S. firms and the Guatemalan railroad appear to be interested in its construction. No official Guatemalan Government body is believed to be involved in such negotiations.

Various organizations, especially university and political groups, have indicated that the establishment of an oil pipeline, which would be a sort of interoceanic canal for oil, would constitute a threat to the nation's sovereignty.

PRESIDENT ANNOUNCES REVOCATION OF POWER RATE INCREASE

PA271809Y Guatemala City Domestic Service in Spanish 0202 GMT 27 May 78 PA

[Speech to the nation by Guatemalan President Gen Kjell Eugenio Laugerud; location not given--live or recorded]

[Text] Good evening, fellow citizens. The Guatemala Electricity Enterprise and the National Electrification Institute [INDE] announced last week a 27-percent increase in power rates. They explained that the increase was necessary to finance part of the great hydroelectric plants of Aguacapan and (Quichel).

It is true that all Guatemalans must contribute toward the construction of the great hydroelectric installations because these plants will help the country to stop depending on petroleum and its derivatives for the generation of electricity. However, the burden on the people should not be excessive or disproportionate. The people should make their contribution but they should not be overburdened. Also, an increase of 27 percent not only would affect the budgets of every home but would also increase the cost of living enormously. Consequently, this evening I wish to announce that, since the state is the majority stockholder in the Electricity Enterprise, I have ordered that the 27-percent increase not be enforced. The same order was given to INDE.

In ordering the Electricity Enterprise and INDE not to enforce the 27-percent increase, I have also ordered that a special commission go to Washington to renegotiate the contracts with the banks providing the loans. The renegotiation of these loans will be directed at lessening the severity of the conditions for those credits so that the power rate increase will not exceed 10 percent.

Increasing the rates by 10 percent means that the person now paying 5 quetzales, for example, contributed 50 cents more [words indistinct]. It means that the person today paying 10 quetzalez for services will contribute 1 quetzal more. The same will apply to the other consumer rates.

At president, I am commited to the construction of the great hydroelectric plants planned by the government, but I also am obliged as president to see to it that Guatemalans do not carry excessively large burdens upon their backs. Consequently, the 27-percent increase in electricity rates will not be enforced. Good evening.

BRIEFS

PRC COTTON PURCHASES--Miguel Angel Ponciano, new president of the National Cotton Council, has reported that this year the PRC has become Guatemala's main cotton buyer. He said the PRC bought 200,000 bales of cotton this year at a cost of approximately 60 million quetzales. Ponciano added that cotton production during the season which just ended amounted to 600,000 bales, of which 50,000 bales are for domestic consumption and 550,000 bales for export. [Guatemala City EL IMPARCIAL in Spanish 17 May 78 p 8 PA]

NICARAGUA

SOMOZA TRAVELS TO U.S. FOR SON'S GRADUATION

PA2903492 Panama City ACAN in Spanish 1608 GMT 28 May 78 PA

[Text] Managua, 28 May (ACAN-EFE)--It was officially reported here today that Nicaraguan President Gen Anastasio Somoza left on yet another trip to the United States on Saturday afternoon. The reports indicate that the purpose of his visit is to attend the graduation of his son Roberto.

Before leaving for the United States, Somoza inaugurated in Managua the new facilities of the infantry basic training school which operates under the command of another of his sons, Maj Anastasio Somoza Portocarrero. At the inauguration and on occasion of Nicaraguan Army Day, Somoza delivered a speech addressed to National Guard officers, noncommissioned officers and enlisted men, stressing that "in Nicaragua we do not want any type of intervention." "We do not want to see a foreign soldier in our fatherland again," the Nicaraguan president said.

Somoza's warnings against any type of intervention in Nicaragua are viewed as direct allusions to the Carter and Carlos Andres Perez administrations, which have been questioning the human rights situation in Nicaragua.

CONSERVATIVES VOW TO SEEK STRONGER PARTY ACTION

PA2612052 Managua LA PRENSA in Spanish 17 May 78 pp 1, 12 PA

[Text] The undersigned representatives of National Conservative Action (ANC) and the Nicaraguan Conservative Party (genuine) are convinced that the existence of a responsible and strong opposition is essential for the establishment of genuine democracy in our country and that the large majority of the Nicaraguan people are conservative but their influence has been curtailed by division and indifference.

We understand that one of the causes of the discrediting or discouraging of the conservatives is the repeated political pacts which former leaders of our party signed with the dynastic dictatorship.

We are aware that only by rising above group pettiness can the various conservative factions find the encouragement to strengthen unity for the definitive toppling of the dictatorship so that a system of justice and freedom will always exist.

Therefore, we, all conservatives, mindful of the various strategies but aside from them, thinking only of the cause of our homeland and our party and therefore in the strengthening of the opposition to the dictatorial regime which burdens us, have agreed on the following points:

1. The need to modernize the applicability of conservative ideals in the light of the new social circumstances of openness and participation in all areas of national life;

2. Keep the possibility open for all conservatives to join forces and undertake a major patriotic crusade;

3. Expedite the channels of communication with other opposition parties so as to draw up joint strategies and tactics which will contribute toward the complete democratization of our country;

4. Renew our unshakable opposition struggle, once and for all repudiating the unchanging system of pacts and minorities which have caused only harm to our country and our party.

In order to carry out the aforementioned objectives, we plan to appoint a standing political committee of organization, coordination, communication and conservative unity which, among other things, will take care of:

A. Organizing events which will demonstrate our unity and faith in a renewed conservatism;

B. Drawing up an outline of renewed ideology of Nicaraguan conservatism;

C. Setting up an economic fund for organization and propaganda.

[signed] National Executive Board of the National Conservative Action: Rafael Cordova Rivas, president; Santiago Rivas Haslam, vice president; Hernaldo Zuniga Montenegro, secretary; Carlos Hurtado Cardenas, treasurer; Mario Aviles Saenz, comptroller; Rudy Ibarra, first alternate; Miguel Zavala N., second alternate.

National Executive Board of the Nicaraguan Conservative Party: Ricardo Paiz Castillo; Adolfo Calero Portocarrero, national coordinator; Emilio Alvarez Montalvan; Manuel J. Rottes Barrios; Mario Rappaccioli M.; Celemente Guido; Pedro J. Gutirrez G.; William Vargas G.

OFFICIAL CRITICIZES U.S. POLICY ON C. AMERICAN PRODUCTS

PA261401Y Managua Radio Coporacion in Spanish 1220 GMT 26 May 78 PA

[SERCANO Network]

[Text] The preferential trade system practiced by the United States, which is intended to eliminate U.S. customs barriers, is really hurting Central American countries in many ways, Jaime Fernandez, economic integration vice minister [as heard] has said in Guatemala City. As the only Central American member of the General Agreement on Tariffs and Trade, Nicaragua has taken the initiative in accusing the U.S. Government of imposing conditions on the import of Central American products.

Fernandez referred to the United States in asking for trade reciprocity in order to let Central American products included in the general list enter U.S. markets. It is not fair for so industrialized a country to make such demands on underdeveloped countries, he added. The prices established by the U.S. Department of Commerce for our products make the preferential trade system a big joke, Fernandez said among other things.

CLOSED RADIO STATIONS RESUME OPERATIONS

PA261210Y Managua Domestic Service in Spanish 0330 GMT 26 May 78 PA

[Text] Government officials today ordered the reopening of the radio stations Radio Corporacion, Radio Catolica, Radio Mi Preferida, Radio Mundial and Radio Futura, which were closed last night following orders by police judge Col Luis (O. Cohen) based on Article 61 of the radio and television code. The article empowers police authorities to adopt precautionary measures in cases such as the regrettable one that took place in the city of Esteli. The radio stations in question resumed their normal activities at about 1100.

RAFAEL RODRIGUEZ REFUTES CARTER STATEMENTS ON SHABA

FL 271650Y Havana Domestic Service in Spanish 1600 GMT 27 May 78 FL

[Text] United Nations -- Dr Carlos Rafael Rodriguez, vice president of the Council of State and Council of Ministers and chief of the Cuban delegation to the 10th UN General Assembly special session on disarmament, has given a luncheon at the headquarters of the international organization for 19 representatives of UN member countries, mostly of the nonalined movement. The luncheon, which took place in an atmosphere of fraternal friendship, was attended by the foreign ministers of Algeria and Ethiopia the Vietnamese minister of culture, and the permanent representatives, ambassadors or representatives of Yugoslavia, India, Peru, Guyana, (?the PLO), Panama, the Congo, Tanzania, Angola, Mozambique, Benin, Syria, (?Zambia), Venezuela and SWAPO.

The Cuban Council of State vice president expressed gratitude for the presence of the distinguished guests. He called for unity of the nonalined movement, especially now that the special session on disarmament has started, during which various types of speeches have been made which require the closest unity of these countries around the positions mutually agreed upon in Colombo, in Havana during the recent Coordinating Bureau meeting and in other nonalined conferences. This unity, despite our differences, is more necessary than ever now when events have taken place which have generated the mentioning of an ominous word several times at this table--recolonization, (?Rodriguez said).

Dr Carlos Rafael Rodriguez referred to statements made yesterday by President Jimmy Carter, refuting them and telling those present that in no way do they correspond to the truth since, as the Government of Cuba has declared, our country does not have the slightest direct or indirect connection, including military training, in the events in Shaba.

On behalf of all present at the luncheon, Nigerian Foreign Minister Brig Gen Joseph N. Garba replied to Carlos Rafael Rodriguez' remarks and expressed gratification for being present at the table of Cuba, a Latin-African country that is providing valuable military and civilian assistance to several African countries struggling to strengthen their independence and (?raise) their people's economic and social levels. Brigadier General Garba also expressed concern over the attempts by the old colonial powers to divide the African countries. He concurred with the need to preserve the unity of the nonalined movement, now and in the future.

Another anniversary of the Republic of Guyana's emergence to independent life--which is commemorated today--also was celebrated at the luncheon with toast by Carlos Rafael Rodriguez and Guyanese Ambassador LLoyd Searwar.

Rodriguez Meets Foreign Officials

FL261656Y Havana Domestic Service in Spanish 1600 GMT 26 May 78 FL

[Text] With the opening of the UN special session on disarmament, numerous high-level officials and foreign ministers from several countries are holding active bilateral contacts. In one of his first activities at the United Nations, Dr Carlos Rafael Rodriguez, vice president of the Council of State and Council of Ministers, has met with Ethiopian Foreign Minister Feleke Gedle-Giorgis. This morning Dr Carlos Rafael Rodriguez met with Venezuelan Foeign Minister Simon Alberto Consalvi. Dr Carlos Rafael Rodriguez also received Senator George McGovern, member of the U.S. Senate Foreign Relations Committee.

HAVANA: MONDALE UN SPEECH MORE APPROPRIATE TO NATO

FL271855Y Havana Domestic Service in Spanish 1700 GMT 27 May 78 FL

[Text] After listening to 30 speakers, including 71 chiefs of state or government and representatives of 3 of the principal nuclear powers, there is still confusion and expectation on achievements which the UN General Assembly will reach on disarmament. It is believed in diplomatic circles that the speech made by North American Vice President Walter Mondale would have been more fitting at the next summit conference of the countries that are members of the bellicose NATO bloc rather than at an assembly whose objective is to stop the arms race. Mondale emphasized that at the NATO summit the so-called Western democracies will commit themselves to adopt a position of military defense against any attack. This will lead to an increase in their military budgets and escalation of the arms race.

An Asian ambassador commented that the North American vice president mistook the speech he should make at the NATO conference for the one at the UN General Assembly.

The focus of attention of the participants is currently placed on proposals by the Soviet Union for practical measures to put an end to the arms race. Many participants consider that the proposals are the most certain and realistic path to eliminate the threat of war.

DO NASCIMENTO ARRIVES IN HAVANA EN ROUTE TO UN

FL272337Y Havana Domestic Service in Spanish 2332 GMT 27 May 78 FL

[Text] Ramiro Valdes, vice president of the Council of State and member of the PCC Politburo, this afternoon received Lopo do Nascimento, prime minister of the People's Republic of Angola and member of the Politburo of the MPLA-Labor Party, who arrived in our country. Do Nascimento, who arrived accompanied by Angolan Foreign Minister Paulo Teixeria Jorge, is in Havana en route to the United Nations.

Isidoro Malierca, Cuban foreign minister and PCC Central Committee member, also welcomed the visitors at Jose Marti International Airport.

ETHIOPIAN PRESS HIGHLIGHTS CASTRO MESSAGE TO MENGISTU

FL291617Y Havana Domestic Service in Spanish 1407 GMT 29 May 78 FL

[Text] The message which Cuban Council of State President Fidel Castro sent to Ethiopian chief of state Mengistu Haile Marian on the occasion of the 15th founding anniversary of the Organization of African Unity [OAU] has been broadly highlighted by the Ethiopian press. The message, illustrated by a photograph of the leader of the Cuban revolution, is given wide frontpage coverage under a title which underscores the solidary content of the message. In presenting the text of Fidel's message to Mengistu Haile Mariam, the ETHIOPIAN HERALD emphasizes Cuba's renewed support for and militant solidarity with the Ethiopian people. The paper also highlights Fidel Castro's correct assessment of the role of the OAU and its contribution to the African people's struggle to eradicate the remnants of colonial domination.

COMMENTATOR SCORES 'IMPERIALIST INTERVENTION' IN ZAIRE

FL270146Y Havana Domestic Television Service in Spanish 0000 GMT 27 May 78 FL

[Armando Lopez Junco commentary]

[Text] The armed intervention in Zaire, the former Belgian Congo, by NATO troops early this week is further proof of the objectives of the North American imperialists and their allies of maintaining the exploitation of the people in the rich African Continent while also halting there the advance of liberation forces.

The events started last Friday when French and Belgian airborne troops entered Shaba Province, formerly Katanga, to repress an uprising by the Congolese National Liberation Front composed of Zairians who are opposed to the Mobutu Sese Seko regime and who had captured the rich Kolwezi mining center. Mobutu, well-known puppet of the imperialists and shamelessly corrupt, hastened to request assistance from France, the United States and Belgium to repress the rebels. He also blamed alleged mercenaries for the uprising, a charge echoed by Washington and its NATO allies as well as the Chinese Government.

Responding to the request, French and Belgian forces, supported by the United States, which provided logistical support, dropped almost 1,000 paratroopers with ammunition and equipment to support the Zairian Army, an army in which French and North Americans participate under the euphemistic name of technical advisers. Moroccan soldiers and some 100 North Americans also took part in the imperialist military intervention in Zaire. Mobutu, dressed in combat gear, made a brief visit to the theater of operations with the riduculous intention of making them appear as an activity under control of his regime.

The excuse used by Europeans nations for armed intervention was to protect the lives of white foreigners who live in the mining city. Kolwezi, with 100,000 inhabitants, has several thousand Europeans who work for Belgian, French and North American transnational corporations which exploit the rich fields of copper, manganese and cobalt, besides gold, tin and high-density uranium. The largest diamond mines in the world also are located there.

Zaire is one of the principal copper suppliers since it annually produces 500,000 tons of this mineral, representing 75 percent of the country's exports. It also produces 65 percent of the world's consumption of cobalt, which the United States absorbs almost entirely. Despite such wealth, the country's budget deficit was $340 billion in 1976, without the country being able to pay even the interest on it. The economic situation is deteriorating further. Purchasing power is decreasing. Unemployment and inflation are growing, and popular discontent places the corrupt Mobutu regime in a permanent crisis.

Belgian investments in Zaire amount to $800 million. West Germany, Great Britain and France also have large investments in Zaire, whose resources they exploit.

It is precisely in Shaba Province that the West Germans operate a missile complex masked by the title "private experimental scientific agency," which is the OTRAG firm. This missile complex can utilize nuclear warheads. Mobutu has ceded this firm 100,000 square miles of territory, a tenth of the country, under absolute control of the West Germans, which allows them to circumvent the provisions of treaties that prohibit the nuclear rearmament of West Germany.

Aside from the racist nature of the operation, it is obvious that the imperialist intervention in Zaire reveals the plans of the United States and its partners. Up to now, Washington had been forced to land its Marines or provide indirect support wherever imperialist domination was threatened. Such was the case in Vietnam and Korea in Asia, Santo Domingo in Latin America, the U.S. fleet's threat in the Indo-Pakistani conflict, and Israel in the Middle East, among others. The act of aggression in Zaire shows that the theory of shared responsibility of the trilateral Washington-West Europe-Japan axis has been implemented not only in the economic field but also in the military. France and Belgium have carried out the dirty work in Zaire which up to now had been done primarily by the United States while Washington operates from the shadows.

Gen Alexander Haig, the North American who is chief of NATO forces in Europe, was the coordinator of the criminal operation. Further proof, if more were needed, is the declaration by Belgian Foreign Minister Henri Simonet, who said that neither France nor Belgium would have been able to carry out its intervention in Zaire without the support of the United States.

Lastly, a factor that should be stressed is Peking's support for the French-Belgian-North American intervention in Zaire. This is still more proof of the political decomposition of the Chinese Government after it provided its collaboration with the South African aggression in Angola.

Another factor that should be highlighted is that the Belgian civilians evacuated from Zaire have revealed that Mobutu's troops, drugged and drunk, took on the task of murdering the whites trapped in the conflict and stole their belongings when those troops were supposed to cooperate in evacuating the whites.

Mobutu Sese Seko, lacking support from his people who are starved and exploited by him and his imperialist partners, enjoys support--besides the support from his NATO allies--only from a gang of criminals selected from among the worst in the army.

REPORTAGE ON VISIT BY MADAGASCAR FOREIGN MINISTER

Official Talks Begin

FL262008Y Havana Domestic Service in Spanish 2002 GMT 26 May 78 FL

[Text] Isidoro Malmierca and Remi Christian Richard, foreign ministers of Cuba and the Democratic Republic of Madagascar respectively, today began official talks at the Cuban Foreign Ministry. First Deputy Foreign Minister Rene Anillo and other officials participated in the talks for the Cuban side. (Henry Ratsinlatoba), director of multinational relations of the Madagascar Foreign Ministry and member of the Democratic Republic of Madagascar delegation that is making an official visit to Cuba, also attended the talks.

Cooperation Agreement Signed

FL272039Y Havana Domestic Service in Spanish 2032 GMT 27 May 78 FL

[Text] In Havana Isidoro Malmierca and Remi Christian Richard, foreign ministers of Cuba and the Democratic Republic of Madagascar respectively, have signed a cooperation agreement between the two ministries.

Malmierca thanked his African counterpart for the opportunity to successfully conclude the cooperation agreement, which will be a useful and favorable instrument for the common work of the two ministries and to strengthen relations between Cuba and Madagascar. The Cuban foreign minister reiterated his gratitude for what he called a momentous and important step in bilateral relations.

For his part, Remi Christian Richard likewise expressed satisfaction with the fraternal welcome he has received from the Cubans.

Joint Communique Issued

FL291601Y Havana Domestic Service in Spanish 1358 GMT 29 May 78 FL

[Text] The governments of the Democratic Republic of Madagascar and Republic of Cuba have signed a joint communique as a result of the visit to our country by Madagascar Foreign Minister Remi Christian Richard. In the communique both sides express their satisfaction with the expansion and intensification of relations between the peoples and governments of Cuba and Madagascar.

The Madagascar foreign minister reiterated his admiration for the Cuban revolution and expressed pleasure over the successes achieved in the political, economic and social fields, which set an example for other nations of the world still struggling to gain their true and definitive independence. The Madagascar side expressed its support for the Cuban people's right to exercise their sovereignty over the entire national territory.

In the joint communique released by Cuba and Madagascar, Cuban Foreign Minister Isidoro Malmierca expressed his high regard for and sympathy with the Madagascar socialist revolution led by chief of state Didier Ratsiraka.

In examining the international political panorama, both foreign ministers paid special attention to the situation in the Indian Ocean and strongly condemned the bellicose trend which imperialism and its allies are promoting in that area as well as in the Arab Gulf and in the Red Sea. The two foreign ministers also reaffirmed the imperative need to join efforts in favor of the legitimate interests and aspirations of the peoples in those areas.

In the communique the Cuban and Madagascar foreign ministers strongly condemned the campaign which imperialism and its local allies have launched against Cuba in an attempt to distort the internationalist spirit that always has inspired Cuba.

SPANISH PRIME MINISTER TO VISIT IN SEPTEMBER

FL291541Y Havana Domestic Service in Spanish 1000 GMT 29 May 78 FL

[Text] Spanish chief of government Adolfo Suarez Gonzalez will make an official visit to our country in September at the invitation of the Cuban Government. Spanish Foreign Minister Marcelino Oreja will be in the high-level delegation that will accompany chief of government Suarez.

HAVANA REPORTS ON DOMINICAN ELECTIONS, PRD PLANS

FL262338Y Havana Domestic Service in Spanish 2300 GMT 26 May 78 FL

[Text] The Dominican Revolutionary Party [PRD], the largest opposition party, has won the presidency of the republic in the 16 May general elections, according to a Central Electoral Board announcement.

International news agencies today reported that according to the board opposition candidate Antonio Guzman was elected president of the Dominican Republic with a lead of more than 160,000 votes over the ruling party.

The new government to be installed on 16 August will include conservative and progressive forces, PRD Secretary General Jose Francisco Pena Gomez explained. Pena Gomez referred to his party's government program, which includes, he said, major efforts in the agricultural-livestock sector, industrial modernization and revision of all contracts that protect the activities of transnational corporations in the country's natural resources. Regarding foreign policy, the Dominican leader explained that his party's position is to establish commercial relations with all countries of the world. He added, however, that any decision in this regard will be in the hands of the president-elect.

For his party, President-elect Antonio Guzman has said that he will form a national unity government which he defined as centrist, contrary to the improvised Balaguer government. He then said that his government would give guarantees to private industry, push the agrarian reform initiated by Balaguer, and provide the necessary incentives to private businessmen.

RAUL CASTRO VISITS 'FESTIVAL 78' COMMAND POSTS

FL291655Y Havana Domestic Service in Spanish 1048 GMT 29 May 78 FL

[Text] Army Gen Raul Castro, second secretary of the PCC Central Committee and minister of the Revolutionary Armed Forces--FAR--has visited various command posts of the "Festival 78" exercise which the central army conducted in tribute to the great world youth event [World Youth and Student Festival]. The FAR minister was accompanied by Division Gen Senen Casas Regueiro, first deputy minister and chief of the FAR general staff, and other senior officers.

The general staffs of the central army and civil defense, provincial and municipal military committees, and representatives of other commands and armed services and of the Interior Ministry participated in the exercise, which was conducted for several days in the country's central provinces. The grouping of these forces and directorates in the "Festival 78" exercise helped in gaining experience on joint missions and in readiness and preparedness to safeguard the gains of socialism.

SOVIET BORDER GUARD ANNIVERSARY MARKED IN VILLA CLARA

FL291643Y Havana Domestic Service in Spanish 1000 GMT 29 May 78 FL

[Text] The 60th anniversary of the Soviet Union's border guards has been commemorated in Villa Clara at the Interior Ministry's main commemorative activity of such an important anniversary. PCC Central Committee members Carlos Pis Delgado and Col Pedro Rodriguez Peralta, party first secretary in that province and chief of the Border Guards Directorate respectively, presided over the celebration. Several officers of the Border Guards General Directorate headquarters and of border districts were promoted during the activity.

Col Pedro Rodriguez Peralta made the main speech. He noted the importance of the commemoration in the year when our people will be commemorating the 26th anniversary of the assault on Moncada barracks and as they are joyfully waiting for the 11th World Youth and Student Festival. On behalf of the Interior Ministry directorate and of the party, Rodriguez Peralta conveyed to the comrade border guards of the USSR a fraternal revolutionary greeting from Cuban combatants who are maintaining the banners of socialism flying high.

ELECTORAL BOARD ANNOUNCES PRD'S VICTORY

PA2618l4Y Paris AFP in Spanish 1804 GMT 26 May 78 PA

[Text] Santo Domingo, 26 May (AFP)--The Central Electoral Board has determined that the Dominican Revolutionary Party [PRD], the largest opposition party, has won the presidential elections held on 16 May, it was announced here today. The elected candidate is wealthy Antonio Guzman. The PRD won the elections by a margin of over 160,000 votes over the Reformist (government) Party.

BALAGUER CONGRATULATES WINNING PRD CANDIDATES

FL271522Y Santo Domingo Radio Clarin in Spanish 1000 GMT 27 May 78 FL

[Text] Dr Joaquin Balaguer has sent a message of congratulations to the president and vice president of the republic elected in the recent elections. Balaguer sent a telegram to President-elect Silvestre Antonio Guzman in the following terms: On congratulating you, I express cordial wishes that God will guide you in your efforts to make the nation greater and to attain greater unity among the Dominican family.

President Balaguer sent the following message to Vice President-elect Jacobo Majluta: Please receive my warmest congratulations and best wishes for growing success in your brilliant political career.

Guzman and Majluta were the Dominican Revolutionary Party presidential and vice presidential candidates respectively.

ARMED FORCES WILL ABIDE BY ELECTION RESULTS

PA262257Y Madrid EFE in Spanish 2229 GMT 26 May 78 PA

[Text] Santo Domingo, 26 May (EFE)--The secretary of state for the armed forces said today that the armed forces will abide by the results of the recent elections. The secretary, Lt Gen Juan Rene Beauchamps Javier, made this statement almost simultaneously with the ending of the vote count by the Central Electoral Board, which reported an overwhelming majority for the opposition Dominican Revolutionary Party. The high official said that the armed forces have no objection to abiding by the final result. He denied that there is any split in the armed forces. He also denied a recent rumor claiming that the armed forces statute would be changed to incorporate the police into the armed forces, making it a military-style organization. Beauchamps Javier said that the police should continue to operate as a public order force, adding that the police have always helped when asked to do so.

GUZMAN OUTLINES FUTURE GOVERNMENT PLANS

PA261547Y Madrid EFE in Spanish 1427 GMT 26 May 78 PA

[Text] Santo Domingo, 25 May (EFE)--Rancher Antonio Guzman, the sure winner in the past election, said here that his government will try, among other things, to amend the constitution so that reelection of presidents for two consecutive terms is prohibited. He also said he will try to eliminate administrative corruption and armed forces participation in politics. However, he did say he wants to maintain good relations with the armed forces.

With regard to his government's economic policy, Guzman said major investments will be made in agriculture, education, health and the economy. He felt the country should be self-sufficient in providing foodstuffs. Last year it had to spend 70 million [currency not specified] abroad for food.

PRESIDENT-ELECT TELLS MILITARY THEY WILL 'NEVER BE SORRY'

PA270433Y Paris AFP in Spanish 0355 GMT 27 May 78 PA

[Text] Santo Domingo, 26 May (AFP)--Dominican President-elect Antonio Guzman stated today that he will make every effort to "bring confidence to government institutions" and to definitely consolidate the system of representative democracy in the country. In his first speech to the country after winning a majority of votes in the 16 May elections, according to the Central Electoral Board, Guzman announced that the armed forces "will never be sorry for having decided to abide by the election results, having demonstrated their obedience to civilian rule and their respect for the constitutional process."

Guzman said that the mission of the military is "to safeguard and sustain the independence and sovereignty" of the republic. Speaking over radio and television, Guzman reiterated his "firm decision to strengthen the institutionality of the military corps, to respect their hierarchy, to continue their professional readiness and to improve their living conditions."

Guzman stated that he appreciates and accepts President Joaquin Balaguer's offer "of helping us and cooperating with us during the next 3 months in the work of planning for our government effort."

The president-elect said his government "will guarantee democracy in a regime of full liberties." He said that there will be no place for revenge in his government and that he will use the best men and women in the country. Guzman said that as of today he was appealing to Dominicans' spirit of work to initiate the construction of a more promising future.

Democratic Spirit Praised

FL271532Y Santo Domingo Radio Mil Network in Spanish 1000 GMT 27 May 78 FL

[Text] Silvestre Antonio Guzman Fernandez, new constitutional Dominican President, last night addressed the nation and called on each Dominican to contribute with his spirit of work to guarantee achievement of the democratic goals he is seeking.

Guzman Fernandez said that the Dominican people must have faith and patience to achieve a more just society based on work and sacrifice. He cautioned that there will not be winners or losers in his government and that he will form a unity government with the help of the best people.

Guzman Fernandez said he expects cooperation from all Dominicans for the great task he has ahead of preserving national concord. The new Dominican president reaffirmed his electoral promise by pointing out that he extends his hand to all Dominicans who were against him and that he will not hold grudges and will use the best men committed to democracy, regardless of political affiliation.

Guzman Fernandez congratulated the Dominican people for the spirit of good citizenship they demonstrated in the elections.

He also expressed gratitude for the cooperation of the Catholic and other Dominican Christian churches. He emphasized that the attitude shown by national sectors to see that the will of the people is respected under any circumstance is encouraging. He said that the gesture such as the one demonstrated by the people at this time is a milestone in the country's history. Guzman Fernandez added that the Dominican nation is thorougly democratic, as demonstrated during the (?controversy) of recent days.

PRESIDENT-ELECT SPEAKS ON DEMOCRACY, NONINTERVENTION

PA272148Y Bogota Radio Cadena Nacional in Spanish 1730 GMT 27 May 78 PA

[Text] Antonio Guzman, president-elect of the Dominican Republic, declared today that he is the enemy of military regimes and international intervention. At the same time, he ruled out the possibility of giving the Communist Party representation in his government.

Guzman, in exclusive statements to Radio Cadena Nacional [RCN], called for the establishment of truly representative democracies in Latin American countries and noted the need for nations which are subject to military or extreme leftist governments to divest themselves of those systems and adopt the doctrine of representative democracy.

[begin Guzman recording] We hope that all Latin American [corrects himself], the South American countries really take up the banner of representative democracy, which is what liberates peoples. I believe that doctrine should be adopted by all peoples today subject to other doctrines or other methods which are not truly democratic.

[Question] Mr President, what is your opinion of the failure of self-styled revolutionary governments, particularly in America?

[Answer] Well, Latin America is not prepared for another kind of government at this time, in my opinion. [sentence as heard] This has been so because of the way in which those methods have been practiced. I believe that Latin America, the Latin American, desires freedom and tranquillity. Democracy gives these things to the peoples of Latin America.

[Question] Mr President, historically your country has been almost always influenced by the U.S. Government--U.S. intervention. During your term as president of that nation, will this intervention continue?

[Answer] We will continue to be a free and sovereign country which does not accept intervention by any foreign country, either from the left or the right. [end recording]

The president-elect of the Dominican Republic applauded the U.S. Congress' decision regarding the Panama Canal negotiations between the governments of the United States and Panama and said that this demonstrates the honesty with which President Jimmy Carter has been defending human rights.

Antonio Guzman, president-elect of the Dominican Republic, will follow a policy similar to that of Germany, Portugal and Spain during his government. In exclusive statements to RCN, Guzman said that his administration will follow the guidelines established by the doctrine of representative democracy.

[begin Guzman recording] Our party is named Revolutionary, but it is a party which is allied to European social democracy, as are Germany, Portugal and Spain, and we follow... [does not complete sentence]. Our policy is that of representative democracy, and we practice that doctrine. [end recording]

Finally, the president-elect of the Dominican Republic expressed his hope of strengthening the ties existing between his country and Colombia and stressed the support offered by Colombia with respect to the electoral results in his nation.

PR, PRD WIN ALL CONGRESSIONAL SEATS

FL261650Y Santo Domingo Radio Clarin in Spanish 1600 GMT 27 May 78 FL

[Text] The Reformist Party [PR] and Dominican Revolutionary Party [PRD] have won all congressional seats, according to unofficial figures furnished by the Central Electoral Board [JCE]. Based on results released so far, none of the five other parties that participated in the 16 May elections won any seat in either of the two legislative chambers.

According to figures released by the JCE, the PR is assured of 13 Senate seats and 38 deputy seats while the PRD has won 12 Senate seats and 48 deputy seats. JCE chairman Manuel Joaquin Castillo yesterday reported that Senate and deputy seats from Higuey and El Seibo are still undecided. So far as mayors of the various municipalities are concerned, the PR won more than the white party [PRD].. National political circles are waiting for the JCE to announce the senators and deputies elected during the past elections. It is also expected that the Chamber of Deputies and Senators, meeting in joint session, will proclaim landowners Antonio Guzman Fernandez and Jacobo Majluta as the next president and vice president of the republic, respectively.

GENERAL WESSIN Y WESSIN RETURNS FROM EXILE

PA281308Y Madrid EFE in Spanish 0055 GMT 28 May 78 PA

[Excerpt] Santo Domingo, 27 May (EFE)--Former Gen Elias Wessin Y Wessin returned to the Dominican Republic tonight after 7 years in exile.

The former strongman of the Dominican Army arrived on board a plane that had flown from Caracas to Curacao, from where he made the trip to this country accompanied by his son Elias and the Democratic Quisqueyan Party leader Dr Juan Jose Matos Rivera.

SUBSCRIPTION INFORMATION

DAILY REPORT volumes are published Monday through Friday in both paper version (mailed daily) and microfiche version (mailed weekly). The annual subscription fee for the paper version within the United States, Canada, and Mexico is $150 for any one volume and $50 for each additional volume. This includes occasional supplements. In microfiche the fee is $100 for any one volume, $125 for two volumes, $150 for three, $200 for four, $250 for five, $300 for six, $350 for seven, and $400 for all eight volumes. Foreign subscriptions outside North America are available from appointed foreign dealers or from NTIS. For information contact NTIS. U.S. government officials may obtain subscriptions at no charge directly from FBIS. Phone 527-2368 (area code 703) or write P.O. Box 2604, Washington, D.C. 20013.

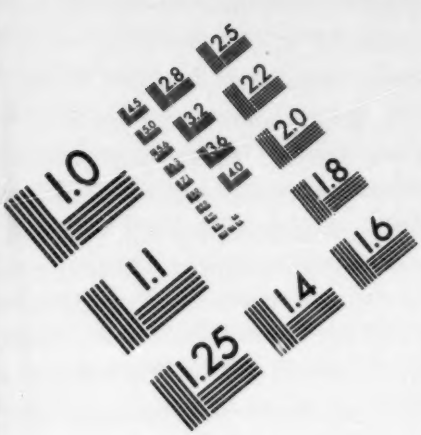
The volumes are: I - People's Republic of China; II - Eastern Europe; III - Soviet Union; IV - Asia & Pacific; V - Middle East & North Africa; VI - Latin America; VII - Western Europe; VIII - Sub-Saharan Africa. Back issues or single copies are not available. Allow 30 days for processing new subscriptions. Mail remittances, inquiries, and address changes to the NTIS address below.

Note: The publications of the Joint Publications Research Service (JPRS), which are sometimes cited in the DAILY REPORT, can also be ordered from NTIS in single copies or by subscription. In ordering, please cite the JPRS title, number, date and author if applicable.

Both the DAILY REPORT and JPRS publications are on file for public reference at the Library of Congress and at public and university libraries throughout the United States.

NTIS

National Technical Information Service
U. S. DEPARTMENT OF COMMERCE
Springfield, Virginia 22151



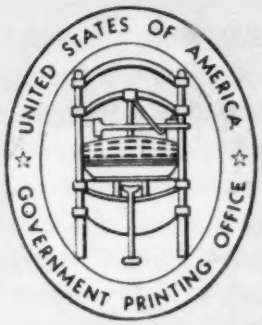
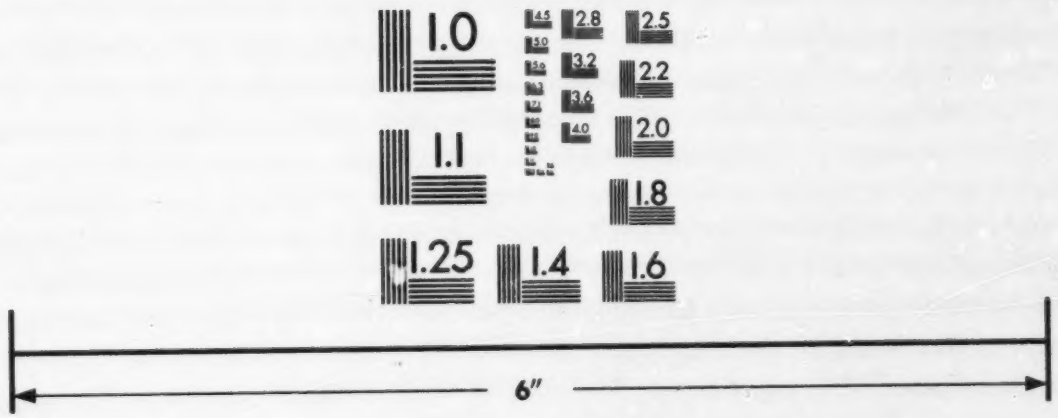
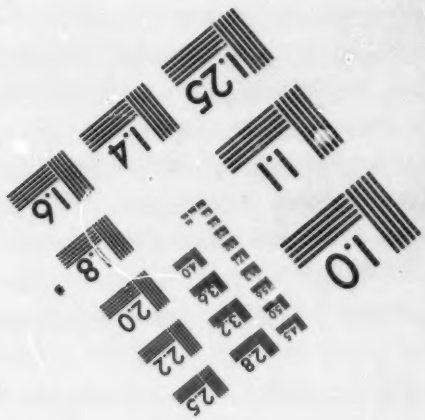
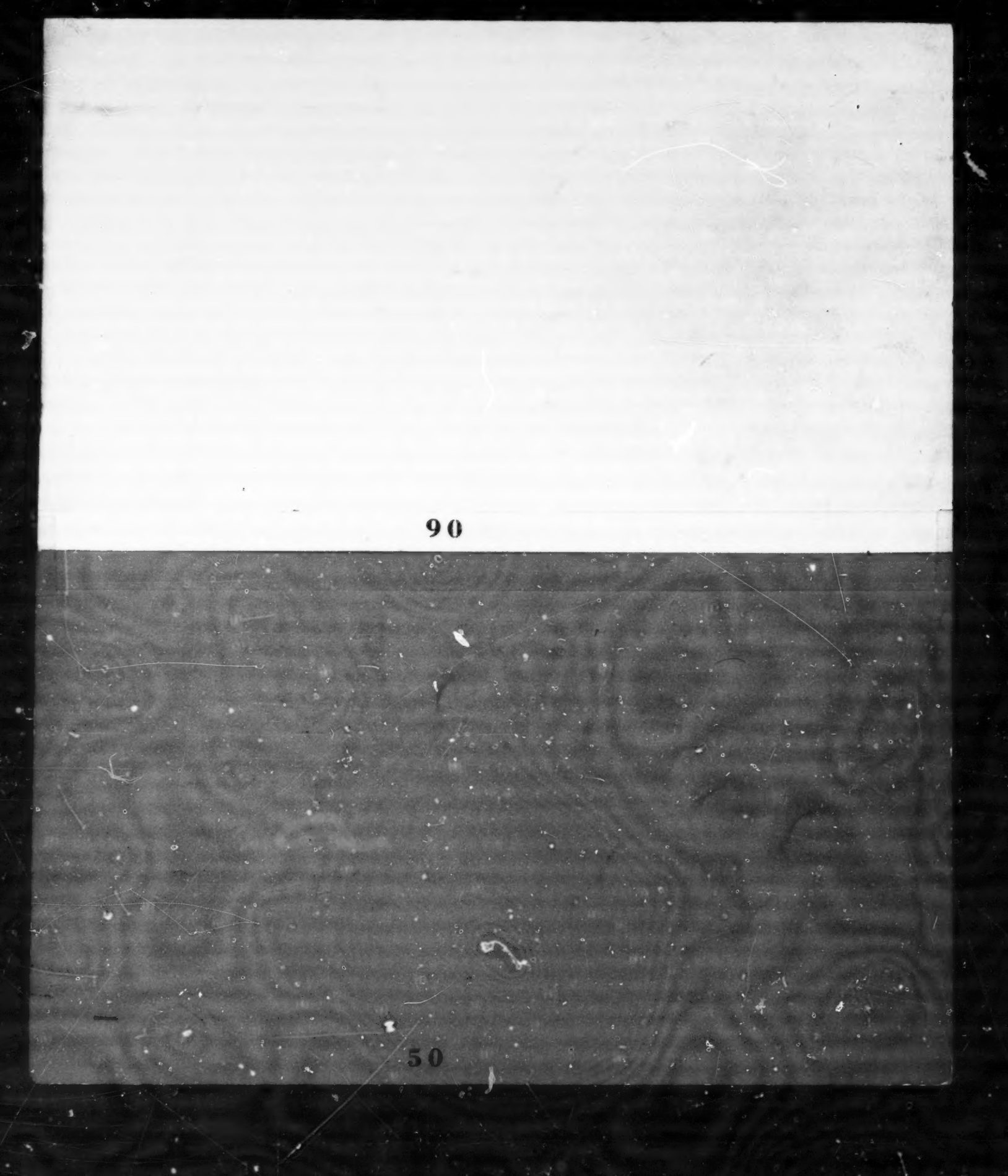


IMAGE EVALUATION TEST TARGET (MT-3)



Photographic Sciences Corporation

23 WEST MAIN STREET
WEBSTER, N.Y. 14580
(716) 872-4503


90
50